



CITY OF KIRKLAND

CITY COUNCIL

James Lauinger, Mayor • Joan McBride, Deputy Mayor • Dave Asher • Mary-Alyce Burleigh
Jessica Greenway • Tom Hodgson • Bob Sternoff • David Ramsay, City Manager

123 Fifth Avenue • Kirkland, Washington 98033-6189 • 425.587.3000 • TTY 425.587.3111 • www.ci.kirkland.wa.us

AGENDA

KIRKLAND CITY COUNCIL MEETING

City Council Chamber

Tuesday, November 18, 2008

6:00 p.m. – Study Session – Peter Kirk Room

7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website www.ci.kirkland.wa.us, at the Public Resource Area at City Hall or at the Kirkland Library on the Friday afternoon prior to the City Council meeting. Information regarding specific agenda topics may also be obtained from the City Clerk's Office on the Friday preceding the Council meeting. You are encouraged to call the City Clerk's Office (587-3190) or the City Manager's Office (587-3001) if you have any questions concerning City Council meetings, City services, or other municipal matters. The City of Kirkland strives to accommodate people with disabilities. Please contact the City Clerk's Office at 587-3190, or for TTY service call 587-3111 (by noon on Monday) if we can be of assistance. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

EXECUTIVE SESSIONS may be held by the City Council to discuss matters where confidentiality is required for the public interest, including buying and selling property, certain personnel issues, and lawsuits. An executive session is the only type of Council meeting permitted by law to be closed to the public and news media

ITEMS FROM THE AUDIENCE provides an opportunity for members of the public to address the Council on any subject which is not of a quasi-judicial nature or scheduled for a public hearing. (Items which may not be addressed under Items from the Audience are indicated by an asterisk*.) The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. Speaker's remarks will be limited to three minutes apiece. No more than three speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to three proponents and up to three opponents of the matter may address the Council.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION*, Peter Kirk Room
 - a. 2009-2010 Budget
4. *EXECUTIVE SESSION*
5. *SPECIAL PRESENTATIONS*
 - a. Officer Jim Kissinger – Twenty-Five Year Recognition
 - b. Community Emergency Response Team (CERT) Graduation
 - c. Kirkland Wednesday Market, Executive Director Dick Bezell, Kirkland Downtown Association
 - d. GIS Proclamation
 - e. Green Tips
6. *REPORTS*
 - a. *City Council*
 - (1) Regional Issues

- b. *City Manager*
 - (1) Calendar Update

7. *COMMUNICATIONS*

- a. *Items from the Audience*
- b. *Petitions*

8. *CONSENT CALENDAR*

- a. *Approval of Minutes:* (1) October 30, 2008
 - (2) November 4, 2008
 - (3) November 6, 2008
 - (4) November 6, 2008
 - (5) November 10, 2008

GENERAL CORRESPONDENCE

Letters of a general nature (complaints, requests for service, etc.) are submitted to the Council with a staff recommendation. Letters relating to quasi-judicial matters (including land use public hearings) are also listed on the agenda. Copies of the letters are placed in the hearing file and then presented to the Council at the time the matter is officially brought to the Council for a decision.

- b. *Audit of Accounts:*
 - Payroll* \$
 - Bills* \$

c. *General Correspondence*

d. *Claims*

- (1) Carolyn Phillip

e. *Award of Bids*

- (1) 2008 Water System Improvement Project North to KarVel Construction Company, Renton, WA

f. *Acceptance of Public Improvements and Establishing Lien Period*

- (1) Juanita Creek Bank Stabilization Project
- (2) Accept Public Improvements, Establish Lien Period and Authorize Additional Funding for the NE 80th Street Sewer and Water Main Replacement (Phase I)

g. *Approval of Agreements*

h. *Other Items of Business*

- (1) Correspondence Regarding Puget Sound Partnership Draft Action Agenda

ORDINANCES are legislative acts or local laws. They are the most permanent and binding form of Council action, and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after the ordinance is published in the City's official newspaper.

RESOLUTIONS are adopted to express the policy of the Council, or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

(2) Endorsing the Empowering Local Government Climate Action: Blueprint for the New President and 111th Congress

(3) Report on Procurement Activities

PUBLIC HEARINGS are held to receive public comment on important matters before the Council. You are welcome to offer your comments after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment and the Council proceeds with its deliberation and decision making.

9. *PUBLIC HEARINGS*

a. Preliminary 2009-2010 Budget

10. *UNFINISHED BUSINESS*

a. Resolution R-4731, Adopting Findings and Conclusions Granting Design Review Approval of An Alternative Design for Bank of America/Merrill Gardens Mixed Use Project at 101 Kirkland Avenue (File No.: DRC 07-0006; Appeal Case No.: APL08-0001)

b. 2009-2014 Capital Improvement Program (CIP) Follow-Up

c. Kirkland Intelligent Transportation System (KITS) Strategic Plan

11. *NEW BUSINESS*

a. Ordinance No. 4154, Establishing the Amount of Property Taxes to be Levied for the Year 2009, the First Year of the City of Kirkland's 2009-2010 Fiscal Biennium

b. Proposed Bridle View Annexation

c. 2009 Draft Legislative Agenda

12. *ANNOUNCEMENTS*

13. *ADJOURNMENT*

NEW BUSINESS consists of items which have not previously been reviewed by the Council, and which may require discussion and policy direction from the Council.



CITY OF KIRKLAND
Department of Finance & Administration
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Tracey Dunlap, Director of Finance and Administration

Date: November 6, 2008

Subject: 2009-2010 Budget Study Session

The November 18 study session will be a continuation of the budget deliberations from the previous budget study sessions. Additional materials requested by the City Council will be distributed at the November 10 and 18 meetings. Listed below are the items that have been identified for further discussion.

Potential Budget Changes (identified as of 11/4/08 meeting) – note that a “scorecard” of the dollar impacts will be presented at the November 10 and 18 meetings:

- Reduce Neighborhood Connections (ex: 1 neighborhood per year instead of 4)
- Reduce/eliminate neighborhood grants
- Create Human Services Emergency Fund to be allocated by Human Services Commission
- Restore KDA funding
- Recommendation from Economic Development Manager and businesses on possible funding needs (CMO)
- Citizen survey from Council contingency (\$30,000)
- Increase Environmental Outreach Specialist to full time, possibly using flood control zone district funds
- Restore parks night shift – cost of incremental increases
- Fund Commute Trip Reduction (CTR) – use reserves or business tax revenue
- Front Desk Reception (see letter from AFSCME)
- Delay tree canopy analysis
- Cultural Council funding
- Potential reduction in litigation reserve contribution (if settlement is successful)

Follow up Items for November 10th Meeting

- Summary of Economic Development program costs and possible funding needs (CMO)
- Outside Agency Review (from Outside Agency Funding Issue Paper)
- Retirement System contributions (Finance)
- Potential to use flood control zone district funding for Environmental Outreach Specialist (PW)

Follow up Items for November 18th Meeting

- Report on Neighborhood Connections projects done recently (CMO)
- Recap of Uncorked and Concours contributions (CMO)
- Look at fees for sports fields (Parks)
- Safety/health impacts of lower maintenance level of parks (Parks)
- Downtown maintenance – garbage pick-up (PW)
- Flex Pass/Smart Pass Program progress in meeting City CTR goals (PW)

For Discussion after Budget Adoption or at City Council Retreat

- Revenue diversification
- Ongoing review of cost allocation to utilities (“institutionalize”)
- Tourism program follow-up
- Combine All City Dinner and volunteer celebrations
- Method for allocating council travel and training
- Study ways to have community self-select to receive printed City Update
- Information on Court Security
- Fund water/oil separators from Surface Water
- Communicate impacts of reductions to community
- Report on energy usage of City facilities and vehicle fuel savings
- Community service hours for downtown maintenance
- Softball World Series and KDA Classic Car Show – eligibility for Lodging Tax

CITY OF KIRKLAND

123 FIFTH AVENUE, KIRKLAND, WASHINGTON 98033-6189 425.587.3400 FAX 425.587-3410

**POLICE DEPARTMENT
MEMORANDUM**

To: David Ramsay, City Manager
From: Eric W. Olsen, Chief of Police
Date: October 20, 2008
Subject: Presentation of 25 Year Service Award

RECOMMENDATION:

Approve that Council present a 25 Year Service Award to Officer Jim Kissinger at the November 18, 2008 regular City Council meeting.

BACKGROUND DISCUSSION:

Jim Kissinger started his police career as a deputy sheriff with the Ferry County Sheriff's Office in 1979. He served there until September 1983 when he was hired by the Kirkland Police Department. In 1991, Officer Kissinger began his assignment in the Traffic Unit and spent the next six years in that capacity. In 1997, Jim returned to Patrol until his assignment to the Detective Division in 2001. In 2006, Jim again was assigned to the Traffic Unit where he currently serves. Jim and his wife Jill reside in Woodinville.

CITY OF KIRKLAND
Service Award



The City of Kirkland Proudly Recognizes and Honors

James B. Kissinger

**for your contributions over the last
25 years as of September 12, 2008**

Thank you for your service.

James L. Lauinger, Mayor

A handwritten signature in black ink, appearing to read "James L. Lauinger", written over a horizontal line.

David H. Ramsay, City Manager

A handwritten signature in black ink, appearing to read "David H. Ramsay", written over a horizontal line.



**CITY OF KIRKLAND**

123 Fifth Avenue, Kirkland, WA 98033 425.587.3000

www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager

From: Jeff Blake, Director of Fire and Building Department

Date: 11/05/08

Subject: Special Presentation

RECOMMENDATION:

Recognize the graduates of our Community Emergency Response Team course with a brief explanation of the program and award them Certificates of Completion.

BACKGROUND DISCUSSION:**KIRKLAND GRADUATES ELEVENTH CLASS**

The Community Emergency Response Team (CERT) program trains citizens to prepare for and respond effectively to disasters. The 29-hour CERT course is taught by a trained team of first responders and other professionals. Training covers the Incident Command System, disaster preparedness, fire suppression, basic medical assessment and first aid, light search & rescue operations, and disaster psychology.

CERT members understand the risks disasters pose to people and property. They have taken steps to reduce hazards and lessen the impact of disasters once they have occurred. When disasters overwhelm local response capability, they are trained to take care of themselves and give critical support to their family members, neighbors, and others in their immediate area until professionals arrive. When first responders arrive, CERTs will be able to provide them with useful information and support. Later, they will be able to help the City reestablish stability to the community. CERTs may also help with non-emergency projects that help improve the safety of their community.

Eighteen students graduated from Kirkland's 11th CERT course, November 9, 2008. Anyone wishing to obtain this comprehensive and fun training is encouraged to visit the City website or contact Program Coordinator, Robin Paster, in our Fire Department. People who live, work or attend school in Kirkland or Fire District 41) can take the course at no cost. Others are welcome to participate, on a space-available basis, for a fee of \$25.00, which helps defray some of the course costs.



CITY OF KIRKLAND
Information Technology Department
123 Fifth Avenue, Kirkland, WA 98033 425.587.3050
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager
From: Brenda Cooper, Chief Information Officer
Date: November 11, 2008
Subject: GIS Day Proclamation

RECOMMENDATION

Council authorizes the Mayor Lauinger to sign the GIS Day Proclamation.

BACKGROUND DISCUSSION

This year, the City of Kirkland's GIS program was recognized as one of the best in the world at the International ESRI Users Group. We are very proud of the hard and careful work done by our staff, and the support we receive from the City Council. We believe the program has helped Kirkland decision makers at the policy and staff level to understand the complex interplay of multiple topics through mapping and GIS Analysis. GIS is used in almost every area of the city from park planning to public safety, from utility mapping and maintenance through permitting.

This year the GIS Division and other GIS users from around the city will host approximately sixty students from the fifth grade at Peter Kirk Elementary School in the morning on GIS Day (November 19th). Around lunch we'll have special presentations and other information available for city staff.



A PROCLAMATION OF THE CITY OF KIRKLAND

Designating November 19, 2008 as *National Geographic Information System Day* in the City of Kirkland, Washington

WHEREAS, Geography Awareness Week was first established in 1987 by a joint resolution of Congress and has been celebrated annually during the third week of November; and

WHEREAS, Geography Awareness Week promotes geographic literacy in schools, communities, and organizations, with a focus on the education of children and in honor of this year's celebration, activities are being held throughout the nation during the week of November 17 through 21, 2008; and

WHEREAS, National GIS Day is held on the Wednesday during Geography Awareness Week and activities are planned for on November 19, 2008; and

WHEREAS, the City of Kirkland Information Technology Department is committed to expanding GIS to the schools and general public in order to showcase real-world applications with GIS.

NOW, THEREFORE, I, James Lauinger, Mayor of the City of Kirkland, Washington do hereby proclaim November 19, 2008 as *National GIS Day* and urge all citizens to participate in GIS Day activities.

Signed this 18th day of November, 2008

James L. Lauinger, Mayor



KIRKLAND CITY COUNCIL SPECIAL STUDY SESSION MINUTES
October 30, 2008

1. CALL TO ORDER
2. ROLL CALL

ROLL CALL:

Members Present: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Dave Asher, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.
Members Absent: None.

3. SPECIAL STUDY SESSION
 - a. 2009-2010 Budget

Joining Councilmembers for this discussion in addition to City Manager Dave Ramsay were Assistant City Manager Marilynne Beard, Director of Finance and Administration Tracey Dunlap and Financial Planning Manager Sandi Hines. Also adding to the discussion were Director of Human Resources Bill Kenny, City Attorney Robin Jenkinson, Director of Parks and Community Services Jennifer Schroder, and Deputy Director of Parks and Community Services Carrie Hite.

Council recessed for a short break at 4:45 p.m.

Council recessed for a dinner break at 5:30 p.m.

4. ADJOURNMENT

The Kirkland City Council special study session of October 30, 2008 adjourned at 9:10 p.m.

City Clerk

Mayor



KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES
November 04, 2008

1. CALL TO ORDER
2. ROLL CALL

ROLL CALL:

Members Present: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Dave Asher, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.

Members Absent: None.

3. STUDY SESSION
 - a. 2009-2010 Budget

Joining Councilmembers for this discussion in addition to City Manager Dave Ramsay were Assistant City Manager Marilynne Beard, Director of Finance and Administration Tracey Dunlap and Financial Planning Manager Sandi Hines. Also adding to the discussion were Director of Public Works Daryl Grigsby and Director of Planning and Community Development Eric Shields.

4. EXECUTIVE SESSION
 - a. To Discuss Pending Litigation

Council concluded their Executive Session and reconvened in open meeting at 7:45 p.m.

Motion to Amend the agenda with the addition of item 10.a., settlement agreement consideration.

Moved by Deputy Mayor Joan McBride, seconded by Councilmember Mary-Alyce Burleigh

Vote: Motion carried 7-0

Yes: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Dave Asher, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.

5. SPECIAL PRESENTATIONS

a. Vision 2020 and March Linkage

Lake Washington School District Superintendent Chip Kimball and Board of Directors President Jackie Pendergrass provided the presentation.

b. Cultural Council Presentation Regarding Art in Private Development

Cultural Council member Bob Larson introduced a Council-produced short video.

c. 2008 Arbor Day Proclamation and Invitation

Urban Forester Deb Powers shared information about the Arbor Day event and accepted the proclamation.

d. City Wide and City Employee Food Drive

Human Services Advisory Committee Youth Member Anahita Nakhjiri and City of Kirkland Chief Information Officer Brenda Cooper provided a status report on food drive activities.

6. REPORTS

a. City Council

(1) Regional Issues

b. City Manager

(2) Calendar Update

7. COMMUNICATIONS

a. Items from the Audience

Bob Style, 6735 Lake Washington Blvd., Kirkland, WA
John Chadwick, Junior Softball World Series, 12107 SE 46th Court,
Bellevue, WA

Julie Johnson, 529 Warren Avenue North, Seattle, WA
Bill Vadino, Greater Kirkland Chamber of Commerce, 410 Park
Place, Kirkland, WA
Jim McElwee, Kirkland Alliance of Neighborhoods, 12907 NE 78th
Place, Kirkland, WA

b. Petitions

8. CONSENT CALENDAR

a. Approval of Minutes:

(1) October 16, 2008

(2) October 21, 2008

b. Audit of Accounts:

Payroll \$ 1,982,007.41

Bills \$ 2,239,383.31

run # 780 check #'s 503163 - 503346

run # 781 check #'s 503347 - 503437

run # 782 check #'s 503440 - 503611

c. General Correspondence

d. Claims

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

g. Approval of Agreements

h. Other Items of Business

(1) Ordinance No. 4153, entitled "AN ORDINANCE OF THE
CITY OF KIRKLAND RELATING TO FAIR HOUSING;
PROHIBITING THE REFUSAL TO RENT A DWELLING
UNIT SOLELY ON THE BASIS OF A SECTION 8
VOUCHER OR CERTIFICATE RENTAL REQUEST; AND
ADDING A NEW SECTION 11.72.035 TO THE KIRKLAND

MUNICIPAL CODE."

Motion to Postpone consideration of Ordinance No. 4153, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO FAIR HOUSING; PROHIBITING THE REFUSAL TO RENT A DWELLING UNIT SOLELY ON THE BASIS OF A SECTION 8 VOUCHER OR CERTIFICATE RENTAL REQUEST; AND ADDING A NEW SECTION 11.72.035 TO THE KIRKLAND MUNICIPAL CODE."

Moved by Deputy Mayor Joan McBride, seconded by Councilmember Bob Sternoff

Vote: Motion carried 7-0

Yes: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Dave Asher, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.

(2) Report on Procurement Activities

(3) Resolution R-4730, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE CITY OF KIRKLAND'S ALLOCATION FOR THE NORTH EAST KING COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS AGENCY (NORCOM) BUDGET."

Motion to Approve the Consent Calendar, with the exception of item 8.h.(1), which was postponed.

Moved by Councilmember Mary-Alyce Burleigh, seconded by Deputy Mayor Joan McBride

Vote: Motion carried 7-0

Yes: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Dave Asher, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.

9. PUBLIC HEARINGS

10. UNFINISHED BUSINESS

a. SRM Development/CIVIK/City of Kirkland Settlement Agreement

Motion to Approve the Settlement Agreement proposed to resolve the existing dispute relating to the City Council's denial of Design Review approval for the Bank of America project at 101 Kirkland Avenue. The Agreement includes, and this motion authorizes, the execution of a Stipulation and Order of Remand so that the Superior Court may remand this matter and the City Council may consider an alternative project design at its meeting of November 18, 2008.

Moved by Councilmember Tom Hodgson, seconded by Deputy Mayor Joan McBride

Vote: Motion carried 6-1

Yes: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.

No: Councilmember Dave Asher.

11. NEW BUSINESS

12. ANNOUNCEMENTS

13. ADJOURNMENT

The Kirkland City Council regular meeting of November 4, 2008 was adjourned at 9:03 p.m.

City Clerk

Mayor

KIRKLAND CITY COUNCIL SPECIAL MEETING

Minutes

November 6, 2008

1. CALL TO ORDER

Mayor Lauinger called the Special Meeting of the Kirkland City Council to order at 6:00 p.m.

2. ROLL CALL

Members Present: Mayor James Lauinger, Deputy Mayor Joan McBride, Councilmembers Dave Asher, Mary-Alyce Burleigh, Jessica Greenway, Tom Hodgson and Bob Sternoff.

3. PARK BOARD YOUTH MEMBER INTERVIEWS

- a. Zoe Vartanian
- b. Tyler Zech

4. SELECTION AND APPOINTMENT OF PARK BOARD YOUTH MEMBER

Councilmember Asher moved to appoint Zoe Vartanian to an unexpired youth seat two year term ending 3/31/2009 on the Park Board. Councilmember Sternoff seconded the motion, which passed unanimously.

5. ADJOURNMENT

The November 6, 2008 Special Meeting of the Kirkland City Council was adjourned at 6:25 p.m.

City Clerk

Mayor



KIRKLAND CITY COUNCIL SPECIAL STUDY SESSION MINUTES
November 06, 2008

1. CALL TO ORDER
2. ROLL CALL

ROLL CALL:

Members Present: Mayor Jim Lauinger, Deputy Mayor Joan McBride,
Councilmember Dave Asher, Councilmember Mary-Alyce
Burleigh, Councilmember Jessica Greenway, Councilmember
Tom Hodgson, and Councilmember Bob Sternoff.

Members Absent: None.

3. STUDY SESSION
 - a. Downtown Zoning

Joining Councilmembers for this discussion in addition to City
Manager Dave Ramsay were Director of Planning and Community
Development Eric Shields, Planning Supervisor Jeremy McMahan,
Associate Planner Jon Regala, and Design Review Board members
Noriko Marshall and Michael Stanger.

4. ADJOURNMENT

The Kirkland City Council special study session of November 6, 2008
adjourned at 9:02 p.m.

City Clerk

Mayor



KIRKLAND CITY COUNCIL SPECIAL STUDY SESSION MINUTES
November 10, 2008

1. CALL TO ORDER
2. ROLL CALL

ROLL CALL:

Members Present: Mayor Jim Lauinger, Deputy Mayor Joan McBride, Councilmember Dave Asher, Councilmember Mary-Alyce Burleigh, Councilmember Jessica Greenway, Councilmember Tom Hodgson, and Councilmember Bob Sternoff.

Members Absent: None.

3. STUDY SESSION

- a. 2009-2010 Budget

Joining councilmembers for this discussion in addition to City Manager Dave Ramsay were Assistant City Manager Marilynne Beard, Director of Finance and Administration Tracey Dunlap and Financial Planning Manager Sandi Hines. Also adding to the discussion were Police Chief Eric Olsen, Fire Chief Jeff Blake, Building Services Manager Tom Phillips and Chief Information Officer Brenda Cooper.

Council recessed for a short break at 6:00 p.m.

Council recessed for a dinner break at 7:07 p.m.

- b. Downtown Zoning

Joining Councilmembers for this discussion in addition to City Manager Dave Ramsay were Director of Planning and Community Development Eric Shields and Planning Supervisor Jeremy McMahan.

4. ADJOURNMENT

The Kirkland City Council special study session of November 10, 2008 adjourned at 9:08 p.m.

City Clerk

Mayor



CITY OF KIRKLAND
Department of Finance and Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager
From: Kathi Anderson, City Clerk
Date: November 6, 2008
Subject: CLAIM(S) FOR DAMAGES

RECOMMENDATION

It is recommended that the City Council acknowledge receipt of the following Claim(s) for Damages and refer each claim to the proper department (risk management section) for disposition.

POLICY IMPLICATIONS

This is consistent with City policy and procedure and is in accordance with the requirements of state law (RCW 35.31.(040)).

BACKGROUND DISCUSSION

The City has received the following Claim(s) for Damages from:

- (1) Carolyn Phillip
12633 100th Lane NE #H137
Kirkland, WA 98033

Amount: Unspecified Amount

Nature of Claim: Claimant states damage occurred when she tripped on a raised portion of sidewalk.



CITY OF KIRKLAND

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3809

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: November 4, 2008

Subject: 2008 WATER SYSTEM IMPROVEMENT PROJECT - NORTH – AWARD CONTRACT

RECOMMENDATION:

It is recommended that Council award the 2008 Water System Improvement Project – North to KarVel Construction Company of Renton, WA for the amount of \$815,570.01

BACKGROUND AND DISCUSSION:

The 2008 Water System Improvement Project - North replaces approximately 4,900 lineal feet of asbestos cement (AC) water main with 8" ductile iron pipe at three separate locations (Attachment A). The existing AC water main is susceptible to breaks and is not capable of providing adequate fire flow. The replacement of individual water service lines and fire hydrant connections along the project alignment is also included in the work.

With an engineer's estimate of \$1,153,802, staff first advertised for contractor bids on October 1st followed by a bid opening on October 16, 2008; twenty-five contractor bids were received and tabulated (the highest number of bidders ever received on a public works project). The total bid prices ranged from \$815,570 to \$1,394,363, with an average bid equal to \$983,158. The ten lowest bids and engineers estimates are as follows:

Contractor	Total Bid
KarVel Construction Company	\$815,570.01
Earthwork Enterprises	\$ 817,908.72
A&A Excavating Inc.	\$824,125.57
Buno Construction	\$828,204.26
D&G Backhoe	\$854,034.57
Laser Underground & Earthworks Inc.	\$859,894.46
Archer Construction Inc.	\$879,909.04
Marshbank Construction Inc.	\$897,954.74
RP & Company Inc.	\$903,958.80
Nelson & Sons Construction	\$915,559.84
Engineers Estimate	\$1,153,802.06

The high number of bidders and close bid prices signal a much more competitive construction market than what we have experienced in recent months, and the bid recommended for award is within the project's construction budget of \$1,026,900 (Attachment B).

Memorandum to Dave Ramsay

November 6, 2008

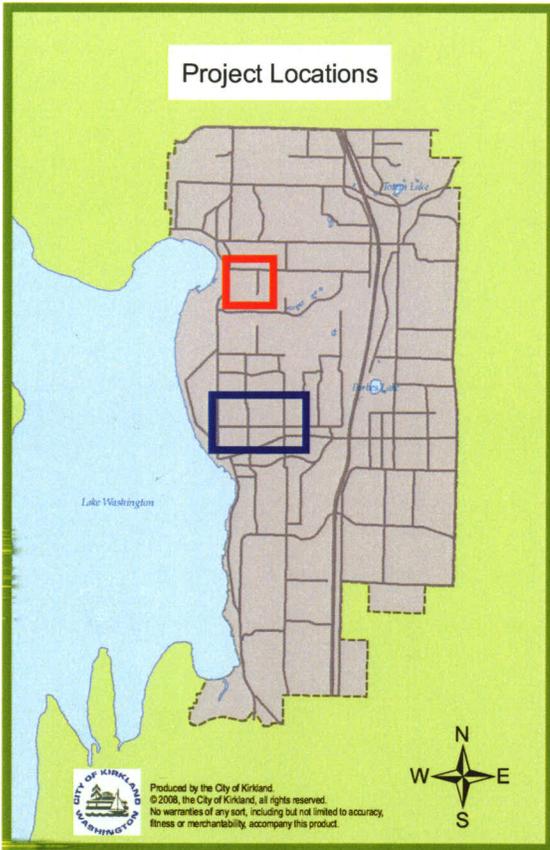
Page 2

Staff originally intended to recommend award of the project to the 2nd low bidder based on the low bidder, KarVel Construction Company's (KarVel) unsatisfactory performance during the recently completed 2007 Water System Improvement project. KarVel was informed of our intent to recommend rejection of their bid and filed a formal bid protest. Within the protest, KarVel acknowledged that the unsatisfactory performance was a result of difficulties in working with the foreman and crew assigned to the 2007 Water System Improvement project and stated they would not assign the same foreman and crew to the 2008 Water System Improvement Project – North. Staff has followed up with reference checks and received positive reports with regards to the foreman and crew KarVel has proposed using on this project. With the advice of the City Purchasing Agent and City Attorney, staff's recommendation is for Council to award the 2008 Water System Improvement project to KarVel Construction Company.

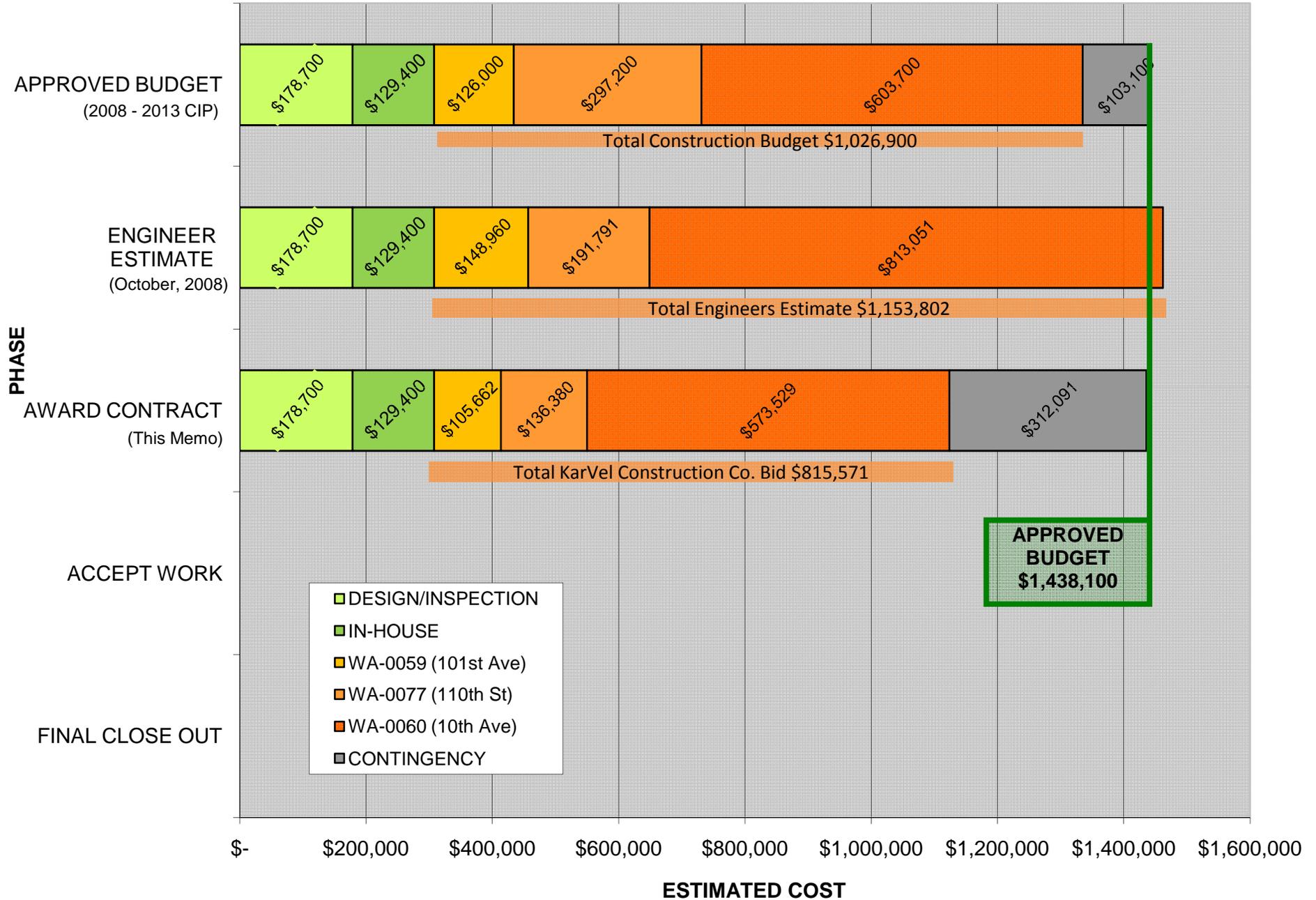
With Council approval, construction will begin in January, 2009 with substantial completion expected in early May, 2009.

Attachments (3)

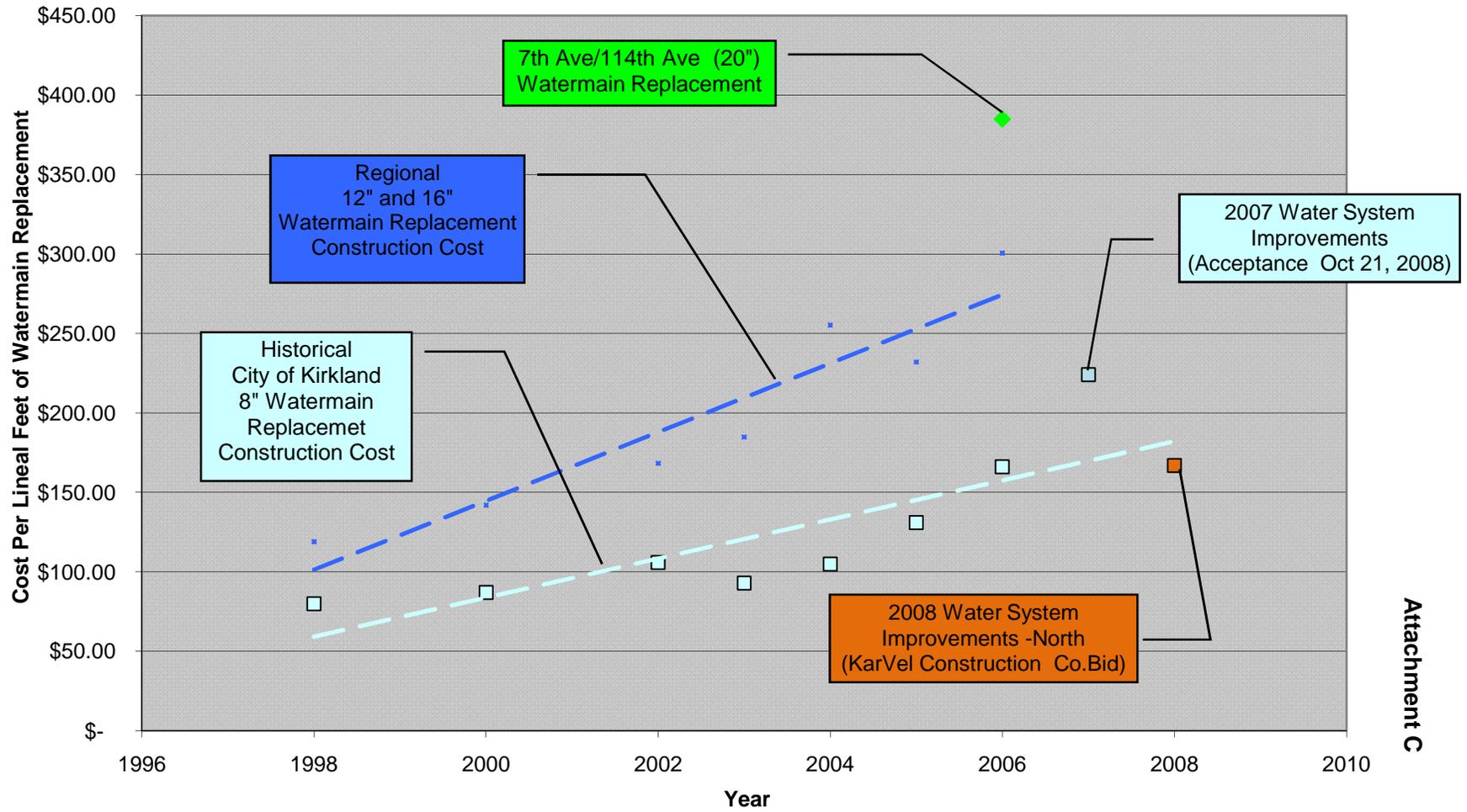
Site Map 2008 Water System Improvements Project - North WA-0059 WA-0060 WA-0077



2008 Water System Improvements Project - North WA-0059 WA-060 WA-0077 Project Budget Report



Watermain Replacement Construction Cost Comparison



Attachment C

**CITY OF KIRKLAND**

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3809

www.ci.kirkland.wa.us**MEMORANDUM**

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: November 6, 2008

Subject: JUANITA CREEK BANK STABILIZATION PROJECT – ACCEPT WORK

RECOMMENDATION:

It is recommended that City Council accept the Juanita Creek Bank Stabilization project as constructed by Westek Forest, LTD of Olympia, WA and establish the 45 day lien period.

BACKGROUND AND DISCUSSION:

The Juanita Creek Bank Stabilization project includes the use of bioengineered methods to stabilize a severely eroded stream bank and failing storm drain outfall along Juanita Creek, located downstream of NE 122nd Street (Attachment A). The improvements include: installation of a structural earth wall, rock and log grade control structures, and surface restoration by removing invasive plants and replanting with native vegetation within the work area.

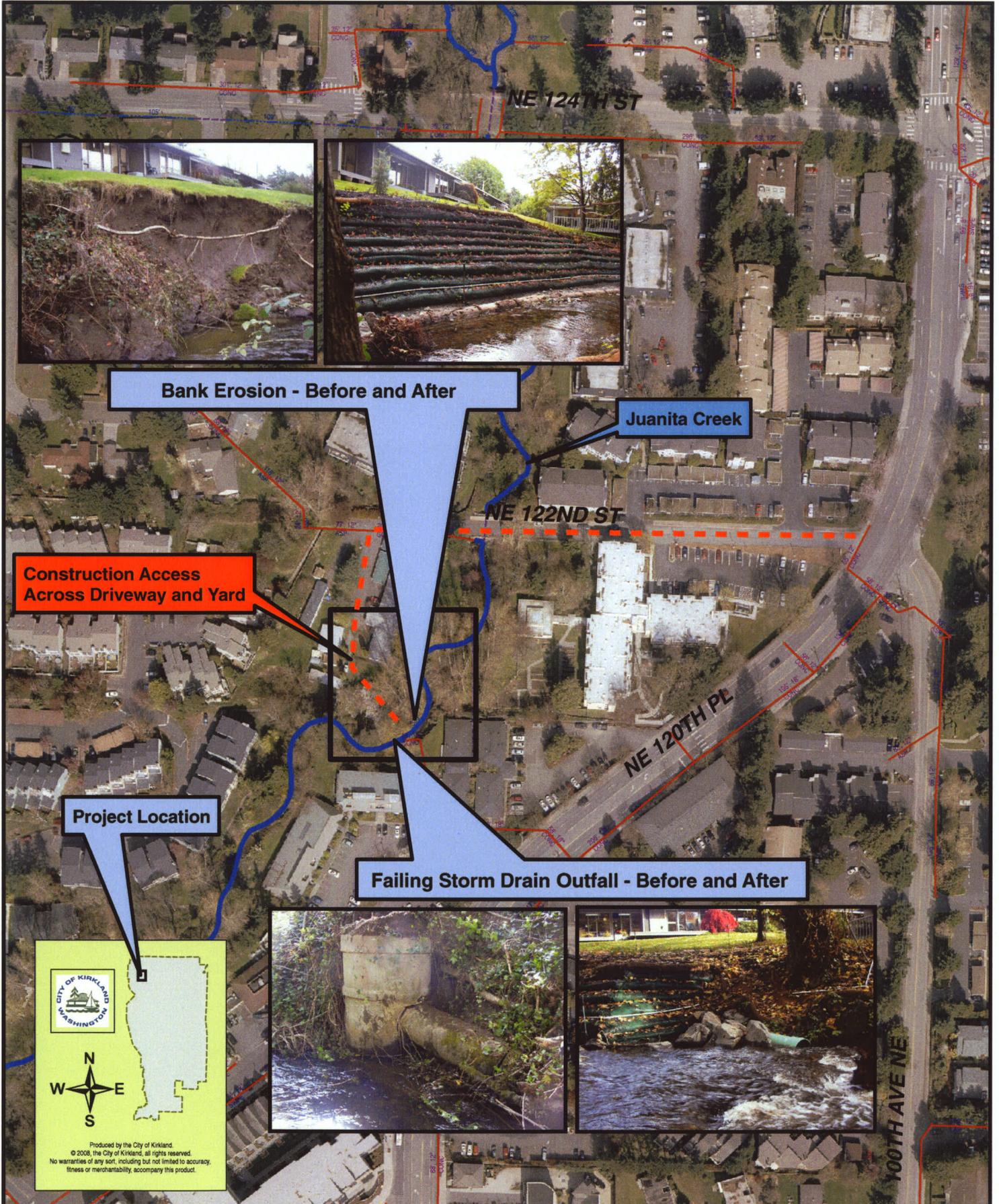
At their meeting on May 20, 2008, Council awarded the Project to Westek Forest, LTD in the amount of \$170,200.50. Construction began July 7, 2008 and was substantially completed August 7, 2008. Total payments to the Contractor were \$196,826.77. The additional \$27,000 in payments to the contractor came as a result of one change order for additional mitigation efforts required to appease the private property owner who had granted a temporary ingress-egress easement to the City and for material quantity over-runs. The total project budget is \$356,800, and the total project costs were \$345,000 leaving a balance of \$11,800 that will be returned to the Surface Water Utility Reserve (Attachment B).

Similar to other stream restoration/bank stabilization projects, many of which are along this area of Juanita Creek, the site will be monitored and maintained for five years to ensure plant establishment and to observe the performance of the newly constructed earth wall and grade control structures. During the monitoring and maintenance period, staff will document plant survival rates and replace any plants that have not survived as well as remove all invasive non-native plants.

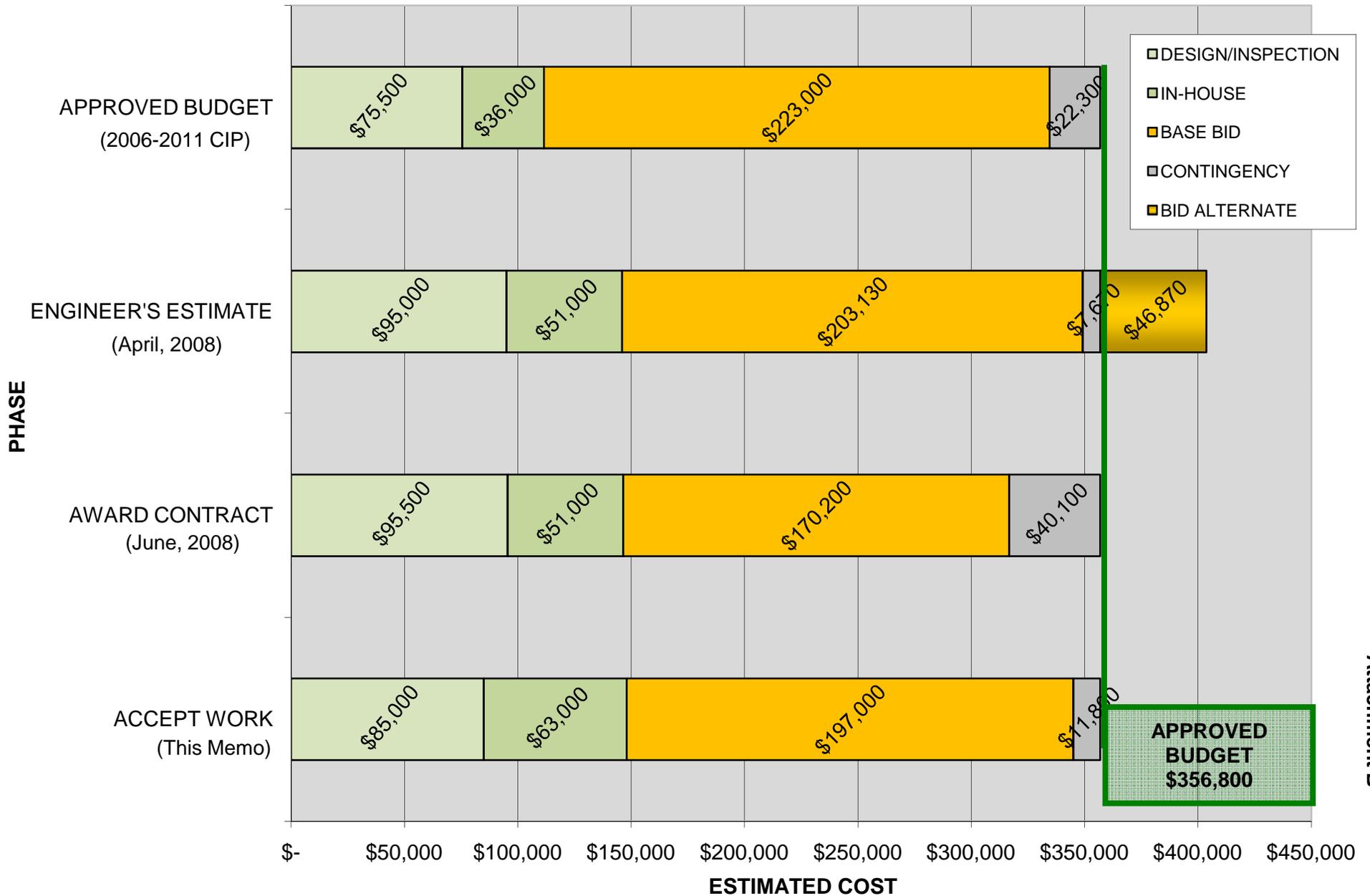
With Council acceptance of the work at their November 18th meeting, the Contractor's 45-day lien period will begin.

Site Map

Juanita Bank Stabilization SD-0060



JUANITA CREEK BANK STABILIZATION (SD-0060) PROJECT BUDGET REPORT





CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: November 6, 2008

Subject: NE 80th STREET SEWER AND WATER MAIN REPLACEMENT (PHASE I) - ACCEPT WORK

RECOMMENDATION:

It is recommended that City Council accept the construction of the NE 80th Street Sewer and Water Main Replacement (Phase I), as constructed by Shoreline Construction, Woodinville, Washington, and establish the statutory lien period. In addition, it is recommended that Council authorize the use of \$97,000 of utility capital contingency funds needed for project closeout.

BACKGROUND DISCUSSION:

The entire NE 80th Sewer and Water Main Replacement Project between I-405 and 132nd Ave NE has been broken into three phases in the Capital Improvement Program due to the magnitude of the costs. Phase I, this memo, is primarily located between 122nd Ave NE and 124th Ave NE; Phase II and Phase III are funded in 2012 and beyond. Phase I resulted in the installation of new 10 and 12-inch sewer main together with the replacement of an 8-inch water main. The Project also included the construction of a section of new 20-inch transmission water main that will eventually serve as the replacement to the existing transmission main that is located within NE 85th Street (Attachment A).

This Project was designed and advertised using four separate schedules: A, B, C & D, thus providing maximum flexibility in the amount of work to be awarded at bid opening. The bids were opened on March 18, 2008, and at their meeting of April 18, 2008, with an approved construction budget of \$877,000 and a total project budget of \$1,186,000 (Attachment B), Staff recommended an award of Schedules A, B & C to Shoreline Construction for \$780,183. At the time of award, Council concurred with Staff's recommendation to also negotiate additional work for Schedule D in order to utilize, to some degree, the Project's remaining overall construction budget. During the subsequent negotiations of possible additional work under Schedule D, a design error was discovered. At that point negotiations on Schedule D ceased, and discussions began on how to best resolve the issue.

In order to resolve the design error, a survey discrepancy in the original design, the design consultant recommended the installation of an additional 145 feet of sewer main and 280 feet of new 20-inch transmission water main west of the original contract terminus; this added piping was identified to be done in the future Phase III component. The estimated construction costs for this added work and the projection of the remaining contract quantities were in line with the remaining budget, and the construction of the new infrastructure provided the City with needed improvements, and thus a change order for the work was issued to Shoreline Construction. The design consultant on the other hand provided all of the necessary engineering and design work for the extended piping, estimated at \$10,000, at no additional cost to the City. By performing the construction as an extension of Phase I, there were minimal impacts to the neighborhood.

November 6, 2008

Page 2 of 2

The total amount recommended to be paid to the contractor is \$936,233 including two change orders (CO): CO #1 – \$144,310 covers additional work due to the survey error, and pending CO #2 – \$30,000 for an equitable adjustment based on additional asphalt quantities that were required on the Project. Additionally, higher expenditures for engineering, which at award were identified at \$309,000 and, at the completion of the project, are \$343,694.

With Council's approval of the recommended additional funds, CO #2 can be executed, final payment will be issued to Shoreline, and the total project budget will be increased to \$1,283,000. It is recommended that water/sewer capital contingency be used to fully fund the project (Attachment C).

Attachments: Exhibit A. - Vicinity Map
Exhibit B - Project Budget Report
Exhibit C - Fiscal Note



Locality Map



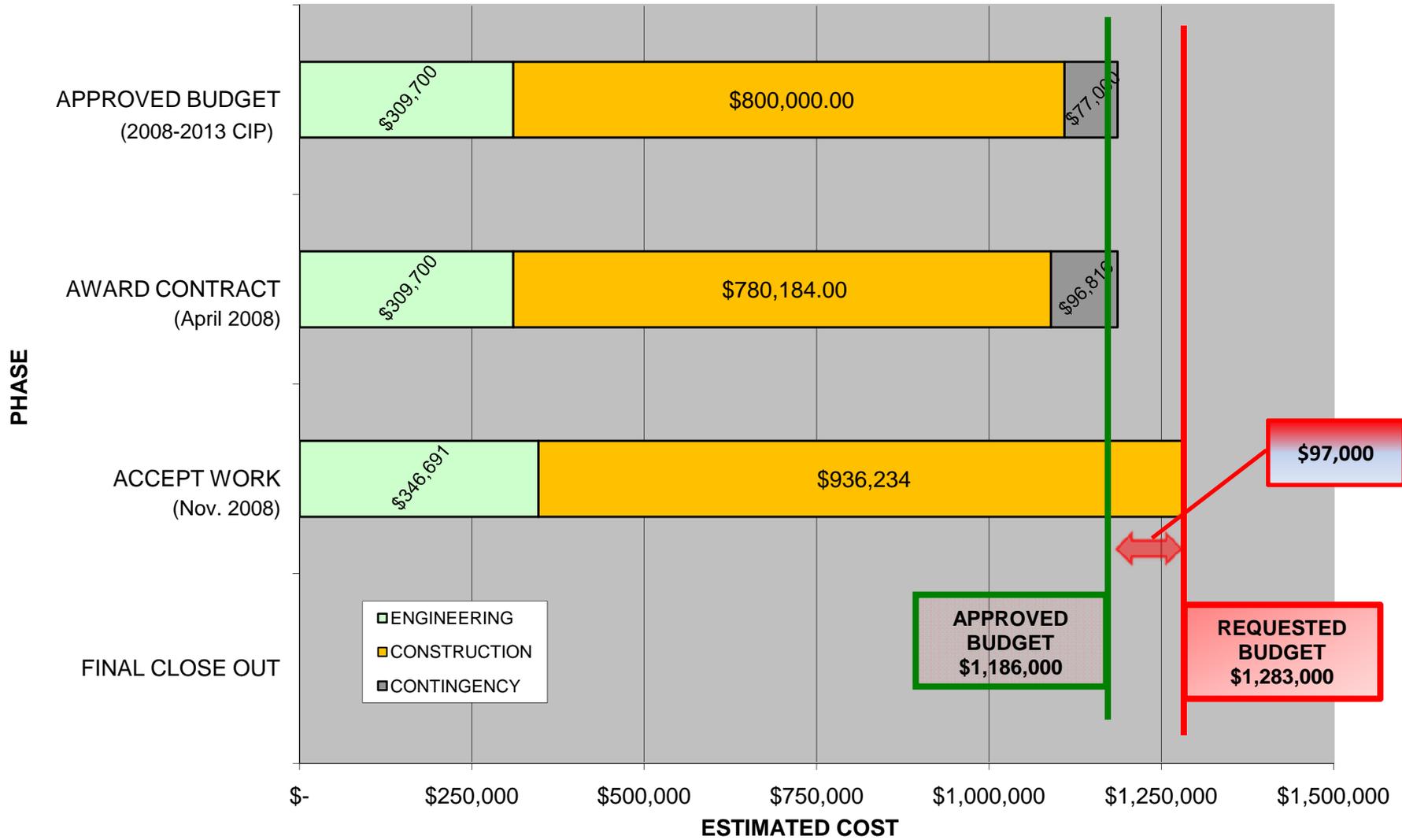
Waterworks by the City of Kirkland
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No warranty is made by the City of Kirkland for any use of this map.
Kirkland, WA 98033. www.kirklandwa.gov
November 5, 2019

NE 80th Street Sewer and Water Main Replacement

Attachment A

NE 80TH STREET SEWER & WATER MAIN REPLACEMENT - SS0050

PROJECT BUDGET REPORT



FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Daryl Grigsby, Public Works Director							
Description of Request							
Request additional funding of \$97,000 from the Water/Sewer Capital Contingency for the completion of the NE 80th Street Sewer & Water Main Replacement (Phase I) project. Phase I, primarily located between 122nd Ave NE and 124th Ave NE, resulted in the installation of new 10 and 12-inch sewer main together with the replacement of an 8-inch water main. The project also included the construction of a section of new 20-inch transmission water main that will eventually serve as the replacement to the existing transmission main that is located within NE 85th Street. Additional expenses were incurred for the project because of two change orders and an engineering overrun that resulted in the use of all available project contingency and requires the additional \$97,000 to close out the project.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$97,000 of the Water/Sewer Capital Contingency. The contingency is able to fully fund this request.							
Recommended Funding Source(s)							
Reserve	Description	2008 Est End Balance	Prior Auth. 2007-08 Uses	Prior Auth. 2007-08 Additions	Amount This Request	Revised 2008 End Balance	2008 Target
	Water/Sewer Capital Contingency	1,703,640	741,694	0	97,000	864,946	1,703,640
	2007-08 Prior Authorized Uses of this reserve include: \$113,900 for the Central Way Improvements; \$250,000 and \$61,494 for the 2007 Water System Improvement Project; \$81,000 for the Waverly Beach Lift Station Project; \$55,300 for the 7th Ave and 114th Ave Watermain Replacement Project; \$180,000 for watermain repairs on the NE 73rd Street Sidewalk Project.						
Revenue/Exp Savings							
Other Source							
Other Information							

Prepared By	Sri Krishnan, Sr. Financial Analyst	Date	November 5, 2008
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CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager

From: Jenny Gaus, Environmental Services Supervisor
Daryl Grigsby, Public Works Director

Date: November 12, 2008

Subject: Puget Sound Partnership Draft Action Agenda:
Kirkland Comment Letter

RECOMMENDATION:

It is recommended that Council vote to send the included letter commenting on the Puget Sound Partnership's Draft Action Agenda.

POLICY IMPLICATIONS:

Comments are being accepted on the Draft Action Agenda (Attachment 1) through November 21st, and the final Action Agenda will be transmitted to the Washington State Legislature on December 1st. The Action Agenda "is intended to be a living and adaptable guide to be used by federal and state agencies, tribes, city and county governments and other agencies, businesses and environmental organizations, watershed groups and individual landowners as they take action to protect and restore the Puget Sound. It serves as a statement of common purpose across the Sound and sets the stages for cooperation and collaboration among partners." The agenda defines what it will take to achieve a healthy Puget Sound by 2020, and what steps should be taken first in this effort.

Staff will be advocating for funding of projects and programs in Kirkland, and will actively participate in efforts to alter and upgrade regulations that could impact Kirkland. The Action Agenda is the first step in what will be a multi-year process to achieve restoration of Puget Sound.

BACKGROUND DISCUSSION:

For further information on the Puget Sound Partnership and the Action Agenda, please see the Council reading file of November 4th.

Attachment 1: Puget Sound Partnership Draft Action Agenda

DRAFT 2020 Action Agenda for Puget Sound

Today, November 6th, 2008, the Puget Sound Partnership is releasing a draft 2020 Action Agenda for Puget Sound recovery. Over the next two weeks, we are asking for public input on the draft prior to adoption by the Leadership Council and transmittal to the Washington State Legislature on December 1, 2008.

When the Puget Sound Partnership was created in 2007, we were given the charge to look at Puget Sound as a whole, from the crest of the Cascades and Olympics to the floor of Puget Sound and the Strait of Juan de Fuca, and develop an integrated approach for rebuilding and sustaining ecosystem health. This may be our last, best chance to implement actions that will help us turn the tide on the decline of Puget Sound health. The attached Puget Sound Action Agenda is the comprehensive roadmap for moving toward a healthy Puget Sound by 2020.

"[It is our task] to ensure that the Puget Sound forever will be a thriving natural system, with clean marine and freshwaters, healthy and abundant native species, natural shorelines and places for public enjoyment, and a vibrant economy that prospers in productive harmony with a healthy Sound."

--- Governor Christine Gregoire

The Puget Sound Partnership is a catalyst for action. Our job is to bring together all the groups, interests and agencies to work together toward a shared vision for Puget Sound recovery.

Thousands of people—from scientists to citizens, from Bellingham to Olympia to Hoodspport to the San Juan Islands—have helped the Partnership during the past 18 months to develop an Action Agenda for Puget Sound. It's the most comprehensive appraisal of Puget Sound ever conducted. We are grateful for their contributions and appreciate how much people want to help us "get it right". People have told us that they want their own time and energy focused on what matters and makes a difference.

Our entire region working together with a shared commitment to save the Sound is what makes the Partnership different. We are focusing on what we can do—all of us as citizens—individually and collectively, to ensure that the rivers, streams, lakes and bays that make up Puget Sound are healthy for orcas, fish, birds and people for generations to come.

We can do this work. In 1958, the voters of the Seattle metropolitan area agreed to spend \$140 million to halt the flow of untreated sewage to Lake Washington that was discharged from Seattle and other communities surrounding the lake. The closed beaches, murky waters, and offensive odors along the Lake Washington shoreline were effective arguments in the campaign to create Metro and build sewage treatment systems. Scientists offered additional evidence that the lake was degraded but that recovery was still possible. Although the proposed rescue of Lake Washington was the most expensive environmental project in the nation's history at the time, the voters believed that the threat to the lake and their quality of life was well worth the investment. By 1968, sewage discharge to the lake had dropped from 20 million gallons per day to zero, and the clarity of the lake had returned to 10 feet. It is now a healthy, well managed body of water.

Now it's time for Puget Sound.

Introduction to the Puget Sound Action Agenda

The Partnership was given three charges from the Legislature: 1) to define a 2020 Action Agenda to guide efforts to protect and restore Puget Sound, based on science and with clear and measurable goals for recovery; 2) determine accountability for achieving results including performance, effectiveness, and the efficient use of money spent on Puget Sound; and 3) to promote public awareness and communication to engage their support for a long-term strategy.

In creating the Action Agenda, we have collaborated with all affected parties, used the experience and expertise of existing regional agencies, and involved local communities and scientists in crafting the regional solutions. The Partnership has sought practical solutions with reasonable expectations for implementation to build upon existing programs that are working wherever possible, and has continually sought scientific input about the risks facing Puget Sound, the potential certainty for actions, and risks of additional inaction.

The final Action Agenda is intended to be a living and adaptable guide to be used by federal and state agencies, tribes, city and county governments and other agencies, businesses and environmental organizations, watershed groups and individual landowners as they take action to protect and restore the Puget Sound. It serves as a statement of common purpose across the Sound and sets the stage for cooperation and collaboration among partners.

Inside the Action Agenda

The Action Agenda is structured around the four basic questions:

1. What is a healthy Puget Sound?
2. What is the status of Puget Sound and what are the biggest threats to it?
3. What actions should be taken that will move us from where we are today to a healthy Puget Sound by 2020?
4. Where should we start?

1. What is a healthy Puget Sound?

A healthy Puget Sound includes a thriving natural world, high quality of life for people, including a vibrant economy. Using goals set out by the legislature, the Partnership has, for the first time in Puget Sound, has identified measurable indicators that can be monitored over time to assess the progress being made. We have also set out targets and benchmarks to guide our actions.

2. What is the status of Puget Sound and what are the biggest threats to it?

In synthesizing the information available about the condition of Puget Sound's health and the threats, we have concluded that significant losses of our estuaries, rivers and floodplains, and forests combined with the slew of pollutants delivered to Puget Sound every day have had profound, and potentially some irreversible consequences, on the present and future health of the region. Anticipated population growth and climate change will amplify current the situation. Compounding these challenges is the fragmented system now in place to manage natural resources. The region has not been equipped or organized to even solve the current problems facing Puget Sound, let alone the changes that will come.

3. What actions must be taken that will move us from where we are today to a healthy Puget Sound by 2020?

The Partnership synthesized a significant amount of existing work and input received during the development of the Action Agenda to create five priority strategies. Together, these five priorities address major threats to ecosystem health and embrace a new approach to managing and sustaining the Puget Sound ecosystem. The list of things to do for Puget Sound is daunting and the actions cannot be tackled all at once. Building a comprehensive, consolidated list of actions is a significant step forward. Our strategies are to:

- A. Protect** the intact ecosystem processes, structures, and functions that sustain Puget Sound. Avoiding problems before they occur is the best and most cost-effective approach to ecosystem health.
- B. Restore** the ecosystem processes, structures, and functions that sustain Puget Sound. Protecting what we have left is not sufficient, and significant effort at an unprecedented scale is needed to undo past damage.
- C. Prevent water pollution at its source.** Many of our efforts have focused on cleaning up degraded waters and sediments, but insufficient resources have been devoted to stopping pollutants before they reach our rivers, beaches, and species.
- D. Work together** as a coordinated system to ensure that activities and funding are focused on the most urgent and important problems facing the region. Our current management approach to the ecosystem is fragmented, programs and laws were established on a piecemeal basis to address individual problems, and the system does not address Sound-wide and local problems on a coordinated basis at an ecosystem scale.
- E. Build and implement the new system** to support the implementation and continual improvement of the Action Agenda. This includes using a performance management system that includes adaptive management and clear pathways for decision making, coordinated monitoring, accountability for action, and coordinated data management; providing sufficient, stable funding focused on priority actions; implementing a focused scientific program with priorities for research, appropriate measures to improve understanding of the ecosystem and the effectiveness of our actions; and increasing and sustaining coordinated efforts for communication, outreach, and education.

Each of these priorities is described in detail with Sound-wide applicable near-term actions. In addition, eight action areas profiles describe the different benefits of each action area, the major local ecosystem stressors, and the local priority actions that mirror the regional priorities and reflect local conditions and issues.

4. Where should we start?

This section of the Action Agenda is a priority near-term work plan that identifies priority actions among all the near-term actions, as well as implementation roles and responsibilities.

What else is included with the draft Action Agenda?

The draft Action Agenda includes a draft funding strategy and draft Biennial Science Work Plan, as well as technical back up materials for Action Agenda Question 1 and Question 2.

How was the Action Agenda developed?

The Puget Sound Action Agenda was developed in a fundamentally different way from traditional “top-down” planning approaches, using transparent public forums and soliciting extensive citizen and scientific input. During 2008, the Partnership took the four key questions for framing the Action Agenda on the road to listen to scientists, elected officials, businesses, volunteers, and local communities. Public workshops, expert topic forums, and implementer-focused action area meetings discussed the health of Puget Sound, future threats, what is being done, and what people think is needed. Over 1,600 people attended public workshops, 75 presentations were given to business and community organizations, and 8,223 public comments were received in writing or on-line with ideas and comments on the Partnership’s work.

- Implementer-focused workshops were held in the seven action areas of Puget Sound to discuss the important features of the action area, local stresses and threats, and their top priorities for action. This work is primarily reflected in the action area profiles.
- Topic forums of regional experts were convened to analyze six issues that reflect ecosystem health: land use and habitat, species and biodiversity, water quality, freshwater quantity, human health, and human well-being. Findings on conditions, management approaches, and recommendations are described in the topic forum papers. The work of the topic forums informed Questions 2 and 3 of the Action Agenda.
- Scientific input was overseen by the Science Panel and included development of desired outcomes and indicators to measure ecosystem health, peer-review of the scientific elements of the topic forum papers, and the preparation of a biennial science plan that will help refine elements of the Action Agenda as the region moves forward.

How is salmon recovery incorporated into the Action Agenda?

In 2007, the Puget Sound Partnership became the regional salmon recovery organization. The Partnership is responsible for implementing the Chinook Salmon Recovery Plan that was approved by NOAA . One of the Partnership’s jobs is to integrate salmon recovery into the broader efforts to sustain the Puget Sound ecosystem. The salmon recovery effort includes 14 watershed groups that have been working together for many years and accomplished a great deal by working collaboratively to prioritize and implement essential actions like restoring estuaries, removing passage barriers, and better managing hatcheries. This work will be integrated with the broader effort.

Specific ways that the Action Agenda incorporates salmon recovery work:

- What is a healthy Puget Sound? The Chinook recovery targets are being used as one measure of health. In addition, the important of recreational, sustenance and commercial catch is also highlighted as a human well-being outcome.
- What do we need to do and where should we start? Implementing the salmon recovery plan, including the three-year work plans, is specifically called out in the action agenda, as

well as implementing the hatchery recommendations and continuing to improve the integration of habitat, hatchery, and harvest actions. The Action Agenda calls for continuing support of the local watershed groups that are key in driving the local collaborative efforts and points out that the region needs a prioritized protection and restoration strategy that goes beyond salmon recovery and incorporates new information. The existing work will be a foundation for this work.

- Performance management. The salmon recovery effort has a required monitoring and adaptive management program and has embarked on pilot report cards. Both of these efforts will be included in a more coordinated monitoring and accountability strategy for Puget Sound.

How to use this draft document

The draft document will be refined and completed by the December 1 deadline. In addition to refining the information in the draft Action Agenda, the final document will include a much shorter, very accessible summary, graphics that show how the actions link to threats and help reach the goals of a healthy Puget Sound.

The Partnership welcomes input on the draft Action Agenda, draft funding strategy, and draft Biennial Science Work Plan. We are accepting comments through November 20, 2008. We will make changes to the draft based on comments received in writing and in person at the November 11th and November 21st Leadership Council meetings, and the November 10th Ecosystem Board meeting. The Partnership's Science Panel will also review the scientific portions of the Action Agenda during the public review period. We will continue to work with the Leadership Council to refine nuances of the draft and prepare the final version of the Action Agenda for release on December 1, 2008.

Comments can be submitted on the draft Action Agenda through Partnership's Web site at www.psp.wa.gov. Hard copy comments must be received by November 20th, and can be mailed to:

Puget Sound Partnership
PO Box 40900
Olympia, WA 98504

What can people do now to help?

Citizen action is essential to successfully restoring and protecting Puget Sound. The good news is that when educated about the serious problems facing Puget Sound, citizens are more willing to make lifestyle and support public policies that will make a difference.

The Partnership believes the daily involvement of thousands of citizens doing many small and big things to save Puget Sound will make a dramatic difference.

To this end, the Partnership is working with agencies and groups across the Puget Sound to help get the word out about the simple things average citizens can do to make a difference in their area of the Sound. If you want to be a part of the solution, here are some easy ways to get involved.

Fix up!

Get involved on the ground with restoration, protection, and outreach projects in your area of Puget Sound. Be an active part of the solution by getting out there and helping fix up Puget Sound. There are hundreds of organizations that need your help. Visit www.psp.wa.gov to connect with a group in your area.

Soak up!

Soak up Puget Sound! For centuries the land of this area has acted as a natural sponge, soaking up and filtering out all of the harmful or toxic particles being carried by surface water before it reaches the Sound. Pavement and pipes that carry unfiltered water directly into Puget Sound are destroying this essential service. Do your part to increase the soaking ability of our land by increasing rain gardens, pervious surfaces, native plants and reducing pavement, large areas of grass and clear cutting of trees.

Clean up!

The number one contributor to the decline in Puget Sound is all the harmful and toxic chemicals we add to the water running into Puget Sound through everyday activities. We need to clean up our act and therefore clean up the waters of Puget Sound. Some of the top contributors and easy steps you can take to clean things up are:

Vehicle Operations

What come off of and out of your car makes its way into Puget Sound

- Drive less
- Check for leaks
- Use substitute for copper break pads
- Ask for steel tire weights instead of lead

Fertilizers & Herbicides

What does not get used up by plants makes its way into Puget Sound

- Pull and smother weeds instead of spraying
- Follow package directions exactly
- Improve soil
- Plant natives

Car Washing

What products (soaps, waxes, cleaners) you use wash off into Puget Sound

- Use commercial car washes
- Wash on pervious surfaces like a lawn
- Use car wash kits for charity car washes

Pet Waste

What is left on the lawn will be washed off into Puget Sound

- Scoop your poop and put it in the trash!

Household Products/Chemicals

What goes down your sink, toilets, and drains makes its way into Puget Sound

- Choose least toxic alternative for household cleaners
- Use more elbow grease, less chemicals
- Use your local waste facility to dispose of chemicals properly

Septic Systems

What a septic system cannot handle makes its way into Puget Sound

- Maintain your septic system
- Do not overuse or abuse its abilities (toilet paper only)
- Fix failing septic systems

QUESTION 1

What is a healthy Puget Sound (and how do we know if we are moving towards one)?

Puget Sound is one of the most biologically rich places on earth. Its snowcapped mountains and marine waters, extraordinary wildlife, lush forests, and dynamic rivers and beaches draw millions of admirers each year. The orca whales and salmon that inhabit its waters are irreplaceable totems of an entire region. Its bounty includes pristine drinking water, seafood, timber, and a free buffer from Pacific storms. Puget Sound supports thriving waterfronts and great communities. It offers opportunities for outdoor recreation experiences to hikers, sailors, and beachcombers alike. Puget Sound is a regional and national treasure.

Puget Sound is also an economic engine. Ocean-related industries generate over \$3.8 billion in annual wages to the Puget Sound economy and thousands of business establishments use Puget Sound counties as their base of operations. Its abundant natural resources and deep water ports create thousands of family wage jobs. And in recent times, Puget Sound's allure has drawn the brightest, most creative and innovative people from around the country and world to its shores. Once here they write computer code, draft building plans, find cures to disease, brew coffee, sell virtually anything online, and design and build composite airplanes.

Recognizing the extraordinary cultural and economic value of Puget Sound to the region, Governor Gregoire created and charged the Partnership with developing an Action Agenda to achieve a healthy Puget Sound ecosystem. The Legislature, in full agreement with the Governor, established six goals for the Partnership to achieve by 2020:

- (a) A healthy human population supported by a healthy Puget Sound that is not threatened by changes in the ecosystem;*
- (b) A quality of human life that is sustained by a functioning Puget Sound ecosystem;*
- (c) Healthy and sustaining populations of native species in Puget Sound, including a robust food web;*
- (d) A healthy Puget Sound where freshwater, estuary, nearshore, marine, and upland habitats are protected, restored, and sustained;*
- (e) An ecosystem that is supported by ground water levels as well as river and stream flow levels sufficient to sustain people, fish, and wildlife, and the natural functions of the environment;*
- (f) Fresh and marine waters and sediments of a sufficient quality so that the waters in the region are safe for drinking, swimming, shellfish harvest and consumption, and other human uses and enjoyment, and are not harmful to the native marine mammals, fish, birds, and shellfish of the region.*

These goals express a vision for a healthy ecosystem, which includes people as a prominent part of the picture.

What defines success?

It is vital to have clearly defined goals in order to have a hope of achieving them. Those goals must be measurable so it is possible to tell how much progress we are making towards realizing them. We worked with the Science Panel to identify specific **outcomes**—qualitative statements of what a healthy condition is— for each of the legislative goals:

Human health is supported by clean air and water, and marine and freshwaters that are safe to come in contact with. In a healthy ecosystem the fish and shellfish are plentiful and safe to eat, air is healthy to breathe, freshwater is clean for drinking, and water and beaches are clean for swimming and fishing.

Human well-being means that people are able to use and enjoy the lands and waters of the Puget Sound. A healthy ecosystem provides aesthetic values, opportunities for recreation, and access for the enjoyment of Puget Sound. Tribal cultures depend on the ability to exercise treaty rights to fish, gather plants, and hunt for subsistence, cultural, spiritual, ceremonial and medicinal needs. The economic health of tribal communities depends on their ability to earn a livelihood from the harvest of fish and shellfish. Human well-being is also tied to economic prosperity. A healthy ecosystem supports thriving natural resource and marine industrial uses such as agriculture, aquaculture, fisheries, forestry, and tourism.

Species are “viable” in a healthy ecosystem, meaning that they are abundant, diverse, and likely to persist into the future. Harvest that is consistent with ecosystem conditions and is balanced with the needs of competing species is more likely to be sustainable. When ecosystems are healthy, non-native species do not impact the viability of native species or impair the complex functions of Puget Sound food webs.

Marine, nearshore, freshwater, and terrestrial habitats in Puget Sound are varied and dynamic. The constant shifting of water, tides, river systems, soil movement, and climate form and sustain the many types of habitat that nourish diverse species and food webs. Human stewardship can help habitat flourish, or disrupt the processes that help to build it. A healthy ecosystem retains plentiful and productive habitat that is linked together to support the rich diversity of species and food webs in Puget Sound.

Clean and abundant water is essential for all other goals affecting ecosystem health. Freshwater supports human health, use, and enjoyment. Instream flows directly support individual species and food webs, and the habitats on which they depend. Human well-being also depends on the control of flood hazards to avoid harm to people, homes, businesses, and transportation.

Water quality in a healthy ecosystem should sustain the many species of plants, animals, and people that reside there, and not cause harm to the function of the ecosystem. This means that pollution does not exceed harmful levels in marine waters, sediments, or fresh waters.

Once these outcomes were identified, it was possible to begin the process of linking outcomes with specific measurable indicators of ecosystem health.

How will we hold ourselves accountable? Indicators and benchmarks

We count and measure many things in Puget Sound including salmon and birds, water temperature, bacteria near shellfish beds, toxic contamination in fish and marine mammals, streamflow, and the loss or gain of habitat. However these separate measures are often not linked together in a way that tells us about the ecosystem as a whole. In short, we often do not know if we are winning or losing the fight to save Puget Sound.

It is possible to organize all of these measurements and focus them on determining the status of the outcomes for each of our goals. Conducting these measurements systematically will ultimately identify trends that will tell us if we are making progress towards achieving our goals. Systematic monitoring will also help us be accountable for the success or failure of our management actions.

The measures themselves are indicators. An **indicator** is a physical, biological, or chemical measurement, statistic, or value that provides evidence of the status of Puget Sound. Indicators were carefully selected to measure different facets of each outcome. (This is similar to the way the Commerce Department uses GDP as an indicator of overall economic health of the US economy.) Indicators include things like drinking water quality, acres of shellfish beds that are closed, number of oil spills, or the abundance of particular species, like salmon. Taken together, indicators help measure progress toward outcomes, goals, and the health of the ecosystem as a whole.

The Puget Sound Partnership has adopted a set of provisional indicators related to ecosystem recovery outcomes and goals (see Indicator Appendix). The Science Panel recommended Partnership adoption of these as provisional indicators, setting the expectation that future work will be needed to develop the final set of indicators. The subset of these indicators will be used to report progress.

Targets specify the desired condition that defines success and benchmarks describe interim milestones toward the target. Each of the goals for Puget Sound will have at least one indicator with a target and benchmark to start as shown below:

Provisional Indicator	Target – desired condition for 2020 (unless other date specified)	Benchmark – interim milestone
Shellfish growing areas	Net increase of 10,000 acres of commercial shellfish growing area open for direct harvest based on improved sanitary conditions	Net increase of 1,000 acres of commercial shellfish growing area open for direct harvest each biennium based on improved sanitary conditions
Land cover	For each action area: forest acreage below 1000 feet is at least 90% of 2001 level and impervious area is not more than 120% of 2001 level	For each action area in 2011: forest acreage below 1000 feet is at least 95% of 2001 level; impervious area is not more than 110% of 2001 level
Salmon and steelhead status and trends	By 2055, two to four viable populations of Chinook salmon in each of five regions: Strait of Georgia, Strait of Juan de Fuca, Hood Canal, Whidbey Basin, and Central/South Puget Sound. Remaining populations and watersheds are providing ecological functions	Recovery Council and NOAA Fisheries implementation review in 2015 finds that the status of populations is improving and the primary factors limiting the status of populations and the ESU are decreasing.

	consistent with population and ESU viability.	
Eelgrass status and trends	Acreage of eelgrass in each Action Area recovers to estimated historic number of acres	Sites with increasing eelgrass area outnumber sites with decreasing area
Percent exceedance of instream flows	In wet years, instream flows in all watersheds exceed minimum low flow levels set by rule or other agreement	In wet years, instream flows exceed minimum low flow levels set by rule or other agreement
Toxics in pelagic fish	PBDE levels in Pacific herring from south and central Puget Sound are not higher than levels in herring from the Strait of Georgia	In 2014, PBDE levels in herring from Puget Sound and Georgia Basin are not higher than levels observed in 2004

Provisional targets and benchmarks for evaluating Puget Sound ecosystem recovery

These indicators and associated targets provide a clear and measurable definition for each of the goals established by the legislature for the Partnership. The benchmarks will give us an early indication of the effectiveness of the management actions that we implement and allow us the opportunity to make adjustments when necessary. Measurable indicators and benchmarks are at the heart of the Partnership's adaptive management and accountability system (see Question 3, Part E) and represent a radically new way of approaching Puget Sound recovery.

QUESTION 2

What is the status of Puget Sound and what are the biggest threats to it?

The people of Puget Sound have built a thriving economic center, creating the second largest port on the West Coast, global enterprises such as Boeing, Microsoft, and Starbucks, lively ecotourism businesses, world-renowned seafood industries, sophisticated tribal communities, and a timber industry that is still a national and international leader. Some of our industries, such as timber and shellfish production, are directly dependent on the ecosystem, while others rely on Puget Sound for shipping and an attractive quality of life to attract prospective workers and their families. In a scant 150 years, the human population of Puget Sound has grown from 50,000 to four million.

During that time, we eliminated three-quarters of the saltwater marsh habitat through dikes and drainage, and armored one-third of the Puget Sound shoreline. We removed 66 to 84% of the old-growth forest in the basin in the last 50 years. We constructed 500,000 septic systems, permitted and constructed 972 municipal and industrial wastewater discharges, spilled at least 230,000 gallons of oil and hazardous waste (just since 1985), constructed ten major dams and thousands of small diversions and stream blockages, re-plumbed the Cedar River system, straightened and diked hundreds of small and large rivers, and introduced almost 100 invasive marine plant and animal species—sometimes intentionally. From 1991 to 2001, impervious surfaces increased another 10.4%, leading to further changes in streamflow runoff and expanding a major pathway for a host of other pollutants to enter our rivers, soil, and food supply.

What do these changes tell us for the overall health of Puget Sound? Prior to the identification of ecosystem level indicators, we reported information on starving orcas, missing salmon runs, closed shellfish beds, toxic beaches, massive fish kills, and disease outbreaks from eating contaminated seafood, but did not know what measures best reported the overall condition of Puget Sound. Using the indicators identified in Question 1, this section of the Action Agenda summarizes what we know today about the health of the ecosystem. Understanding the current state of Puget Sound will help us better identify actions needed to reach the goals. We have also categorized the threats facing the region and identified two critical threats that must be addressed immediately.

In 2009, the Partnership will produce a new “State of the Sound” report that will more comprehensively reflect this approach, build on earlier efforts to describe status and trends within Puget Sound, and present the problems in a fuller context of overall ecosystem health. Over time, the region will need to know the magnitude of threats overall, and within and between geographic sub-regions.

How did the Partnership identify the health of Puget Sound and threats?

Over the past 18 months, the Partnership used three related efforts to better understand the existing condition of the Puget Sound ecosystem and the key threats to ecosystem recovery: an integrated ecosystem assessment led by NOAA, a series of topic forums that assembled the best current information about the Sound, and a process to gather and synthesize data at the local level in each of the seven action areas. The integrated ecosystem assessment will ultimately provide a more comprehensive picture of status of and threats to the Puget Sound ecosystem, but our work

has given us confidence that we have enough information about what is wrong to begin prioritizing solutions.

How healthy is Puget Sound?

The following is a summary of the status of the ecosystem organized by our ecosystem goals. A more complete picture of the status of the Puget Sound ecosystem can be found in the Partnership's topic forum papers and summary of threats.

Human Health: Human health is closely tied to environmental health. Humans are impacted by pollution through contact with water, through consumption of seafood, through breathing, and through other pathways.

- **Action Agenda measure:** The number of clean shellfish growing areas available around the Sound and tracking other indicators related to various human health outcomes. The 2020 target for clean shellfish growing areas is a net increase of 10,000 acres of commercial shellfish growing areas open for direct harvest based on improved sanitary conditions. A 2020 target for lower levels of contamination in herring, a fish that is eaten by salmon and other fish that people enjoy, would indicate reduced human health risks from consuming Puget Sound fish.
- **Current condition:** Although cleanup efforts have resulted in a number of shellfish beds that have re-opened for harvest, 30,000 acres remain closed. In 2004, herring in south and central Puget Sound have three to nine times greater levels of contamination by persistent toxic chemicals than herring from northern Puget Sound. Toxic contaminants, especially PCBs and mercury, occur in high enough levels in Puget Sound fish that the Department of Health advises that people limit the number of meals they eat of winter resident Chinook (2 meals per month), other Chinook (1 meal per week), rockfish in many areas (1 meal per week) and flat fish like English sole in some urban bays (2 meals per week). Other human health concerns related to the condition of the Puget Sound ecosystem include illnesses from exposure to biotoxins in shellfish, particulates and other pollutants in air, and pollution in water used for drinking and swimming.

Human Well-Being: Healthy economies, vibrant cultures, continued access to recreational landscapes, and preservation of scenic resources depends on the quality of the environment.

- **Action Agenda measure:** Measures that could be used to indicate human well-being include shoreline access opportunities, the number of days open for sport fishing, acres of land in economically productive use, and the ability of tribes to engage in their ancient practice of harvesting Chinook and other salmon. The measure for the Action Agenda is the loss of forests and other natural land cover across the Puget Sound landscape. The 2020 target is to retain 90% of the low elevation forest acres measured in 2001 and to increase the impervious land area not more than 20% from 2001 levels.
- **Current condition:** Nearly 200 square miles of forested area were lost from the Puget Sound basin in a recent 10-year period (1991-2001), representing a loss of nearly four percent of the lowland forests. The loss of these forest lands represents a loss of open space, recreation opportunities, and the ability to earn a livelihood in sustainable forest industries. As an indication of other human well-being considerations, there are many rivers in the Puget Sound basin that no longer have sufficient Chinook to allow any harvest

whatsoever and sport fishing days have been reduced in central Puget Sound by over 75% since 1986.

Species and Food Webs: Puget Sound food webs are fraying and several species do not appear to be able to reproduce themselves at sustainable levels.

- **Action Agenda measure:** The target is recovery of Chinook salmon populations as a key indicator of the health of species and the food web. The target is to have two to four viable populations of Chinook in five regions by 2055, the planning horizon for the Chinook recovery plan, and to have all populations (and their watersheds) providing ecological functions consistent with viability of Puget Sound Chinook.
- **Current condition:** Chinook salmon are at less than 10% of their historic levels in Puget Sound river systems with some below 1%, and an estimated 8 to 15 populations of Chinook have been lost entirely. More losses of southern resident killer whales occurred this year, possibly from hunger stemming from a lack of salmon. The problem extends to other species groups that rely on marine, freshwater, and terrestrial habitats: since the late 1970's, we have lost 27% of all marine birds and 21 species of terrestrial and aquatic species have been listed as threatened or endangered.

Land Use and Habitat: Freshwater, estuary, nearshore, marine and upland habitats are critical in supporting species health and human well-being.

- **Action Agenda measure:** The measures are land cover change (discussed above) and the extent of eelgrass beds, that are vital spawning beds for forage fish and other species upon which the food web depends. The 2020 target for eelgrass beds is recovery to historic levels.
- **Current condition:** In 2005, there were 50,400 acres of eelgrass. Many habitats have been shrinking in size, diminished in quality, fragmented, and the processes that form and sustain them have been disrupted in many places. Over the last 50 years, Puget Sound lost at least two-thirds of its remaining old growth forest, over 90% of its native prairies, 80% of its salt and freshwater marshes and one-third of its natural shoreline has been hardened.

Freshwater resources: Ample freshwater resources are essential for people and instream uses.

- **Action Agenda measure:** The 2020 target is to have instream water flows in wet years that exceed established minimums in all watersheds.
- **Current condition:** Eleven of nineteen Puget Sound rivers are already at levels that impair salmon due to low seasonal flows and over-allocation of out-of-stream uses. Almost every watershed in Puget Sound has local areas where freshwater supplies are not adequate to meet current human demands. The Nooksack, Snohomish, Lake Washington, Green, White, Puyallup, Dungeness, and Elwha are considered to be "water critical" basins for salmon because of over-allocated water rights and low flow conditions.

Water Quality: Clean water is also critical for people and species.

- **Action Agenda measure:** The Action Agenda measure is contaminant levels in herring, an important prey species for seals, salmon and other fish. The 2020 target is to reduce the toxic contamination of herring in central and southern Puget Sound to the lower levels seen in northern Puget Sound as an indication that we have controlled pollution sources.

- **Current condition:** Water quality in Puget Sound waters has been affected by pollution from human and animal wastes, fertilizers and pesticides, and toxic chemicals that run off pavement during storms. Over 1,000 freshwater lakes and streams are classified as “impaired” and low oxygen conditions are increasingly frequent in Puget Sound marine waters. Puget Sound contains some of the most toxic marine mammals in the world. Harbor seals in Puget Sound were found to be seven times more contaminated with the persistent toxic chemicals known as PCBs than those inhabiting the adjacent Strait of Georgia in Canada. The salmon and rockfish that we eat are also polluted.

What threatens the health of Puget Sound?

The current condition of Puget Sound shows signs that the web of life is fraying. What is causing these problems? It is not only what humans do as they live, work and play in Puget Sound, but how they go about it that affects the health of the Sound overall. Some activities are fairly obvious as harmful to ecosystem health, such as the input of toxic pollution, oil spills, and sewage; water withdrawals from rivers and aquifers; and habitat destruction. Other activities that are technically “threats”, such as the harvest of timber, fishing, shellfish and finfish aquaculture, and farming, are highly beneficial to people. These activities depend directly on healthy ecosystem conditions but, if not properly managed, can also damage the ecosystems upon which they depend.

The Partnership has identified six broad categories of threats: habitat alteration, pollution, surface/groundwater impacts, artificial propagation, harvest, and invasive species. The magnitude of these threats is amplified by large-scale processes such as weather, volcanoes, earthquakes, ocean circulation patterns, population growth and climate change. Each of the threat categories is described below. Specific local information about threats in each of the action areas is presented in Question 3.

Habitat Alteration and Land Conversion: Habitat alteration consists of activities such as clearing forests, armoring shorelines, diking and draining saltmarshes and freshwater wetlands, dredging, filling, and paving the land. Habitat altering activities occur throughout the region from the forests on the flanks of the Cascades and Olympics to the beaches and sea floor of the Sound. Habitat diversity, quality and availability, species diversity and abundance, water quality and water quantity, are significantly threatened by habitat alteration. In addition, habitat alteration amplifies many other threats, especially pollution and ground and surface water availability. Because of these interrelationships, habitat alteration, especially land conversion, is one of the most significant threats to Puget Sound recovery.

The alteration of nearshore habitat through the construction of docks and bulkheads provides a striking example of how a localized activity can threaten broad components of the ecosystem. The nearshore environment is a rich feeding and rearing ground for herring, especially when eelgrass beds are present. Pacific herring in Puget Sound are a universal source of prey for all species of salmon, as well as seals, sea lions, orcas, hake, halibut, cod, and 14 species of ducks and gulls. Herring also feed loons, herons, puffins and many other marine bird species. Herring populations have fluctuated dramatically in Puget Sound in recent years due in part to the alteration of habitat that is important to their survival. The act of putting in a dock or building a bulkhead could very well make it more difficult for our starving resident orca to find food.

Pollution: Pollution continues to enter Puget Sound even as we clean up pollutants of the past. Surface water runoff appears to be the primary transporter of toxic pollution to Puget Sound, with the most concentrated loads coming from developed lands. Fertilizers and animal waste add to this mix. This pollution typically accumulates during the drier summer months. With the first rains, massive quantities of the accumulated pollution pours into streams and rivers just as fall salmon are waiting in the lower river reaches to access their spawning grounds. Sewage treatment systems, malfunctioning septic systems and direct discharge are pathways to rivers, lakes, and marine waters, and add concentrated nutrients, viruses and bacteria to this mix.

Where does this pollution come from? Vehicles release toxic substances from oil leaks, brake linings, and tire wear. Airborne emissions appear to be a widespread source of loading for some chemicals of concern in the air and water. Emerging contaminants from medication and personal care products often pass through sewage plants without treatment. The half million on-site septic systems in Puget Sound are a significant source of nitrogen loading into rivers and marine waters. Where the systems do not function properly, they are also major sources of bacteria and viruses. Fecal coliform bacteria is one of the most ubiquitous pollutants in the Puget Sound region. Combined sewer overflow outfalls occasionally discharge mixed stormwater and untreated wastewater to Puget Sound during wet weather. Major oil spills in Puget Sound are relatively infrequent, but still pose a potential catastrophic threat.

Pollution threatens our ability to achieve all six of our Puget Sound recovery goals and appears to be a significant, far-reaching threat to the health of Puget Sound. In the quintessential example of “what goes around, comes around,” toxic substances and harmful diseases end up back in the water and food supply for humans, resulting in closures and consumption warnings for fish and shellfish. Pollutants also result in closures at recreational beaches and lakes, high water temperatures in rivers and Puget Sound marine waters, and contaminated sediments that contribute toxic substances to the food web for decades. Many Puget Sound businesses such as shellfish aquaculture depend directly on environmental quality for their continued existence.

Surface and groundwater supply and availability: Water falls all too abundantly in Puget Sound at some times of the year, but in July and August Seattle receives less rainfall than Phoenix, Arizona. We have already experienced an 18% decline in freshwater flow entering Puget Sound over the past 50 years, affecting water temperatures, marine water circulation, and oxygen conditions in water bodies. Reduced availability of water and altered runoff patterns from land clearing are direct factors limiting the productivity of salmon and other species. Water consumption and local runoff also affect the water supplies and runoff patterns for neighbors in many Puget Sound communities—land development can increase flooding on neighboring properties during the wet season and water use affects junior water right holders at dry times of the year. We may be famous for our rain, but land development decisions will increasingly reflect the need to consider flow patterns, water scarcity, and tradeoffs among competing activities.

Snowpack sustains our rivers, reservoirs, and aquifers. The April 1 snowpack at mid and low elevation basins is projected to decline by 44% by the 2020s. Altered weather regimes associated with climate change will likely compound many existing threats to surface and groundwater supply and availability: over commitment of water resources; projected increases in domestic, municipal,

commercial, and industrial demand; land use practices that alter stream flow patterns; and modification of stream channels through dams, levees, bank armoring and ditching.

Other threats due to invasive species, artificial propagation, harvest and other activities:

- **Invasive species** enter Puget Sound through importation of seeds, fruits, plants, and vegetables; ballast water discharges from ships; soil brought in with nursery stock; on commercial and recreational boat hulls; and from people releasing exotic pets and plants “into the wild.” While a comprehensive inventory of invasive species across Puget Sound has not yet been conducted, the magnitude of the problem is beginning to emerge from regional studies. The threats from invasive species vary across the Puget Sound action areas. Purple loosestrife, *Spartina* species, knotweed, Scotch broom and other invasive plants are here now and could transform estuaries and river corridors. Tunicates are invading marine waters. Domesticated animals can transmit potentially fatal diseases to native species.
- **Artificial propagation** of species is conducted for human use and quality of life benefits. These activities may contribute pollutants to the environment or facilitate the introduction of non-native species, depending on how they are conducted. The potential risks to native species, modification of habitat, and aesthetic impacts resulting from aquaculture and hatchery operations vary considerably by site, species, and methods. Hatchery operations to produce salmon have historically had effects such as loss of genetic diversity and genetic fitness, disease transfer, overharvest of native species that are co-mingled with hatchery stocks, and habitat impacts from the facilities themselves. Impacts have varied depending on the site, methods of operation, and the production objectives at each facility.
- **Harvest** can occur on both plant and animal species. Harvest is considered to be a historic factor in the decline of Puget Sound rockfish, Pacific hake, pinto abalone, and Chinook salmon. Past harvest management practices focused on individual species and attempted to maximize the sustainable yield for human harvest rather than considering other species and ecosystem needs. For some threatened animal species, focused harvest management has been able to stem the decline of the target species, but may not adequately consider cross-species impacts, such as by-catch of other fish, birds, and marine mammals, or the loss of food for predators such as orcas. Harvest of plant species (such as trees) that serve as habitat for fish and wildlife species may adversely affect the species that depend on them or remove building blocks that form habitat.

What are the biggest problems that we need to begin to address?

In synthesizing the information available about the condition of Puget Sound’s health and the threats, the Partnership has concluded the signs of lost icons points to ominous signs of systemic failure. The significant losses of our estuaries, rivers and floodplains, and forests combined with the slew of pollutants delivered to Puget Sound every day have had profound and potentially irreversible consequences on the present and future health of the region.

Population growth and climate change will amplify current the situation. At least another million people will live here in the next 15 to 20 years. At the same time there is compelling evidence that

the region's climate is changing. Temperatures in the Pacific Northwest have risen faster than the global average, and Puget Sound waters are warmer. Most climate change models predict increasing temperatures, diminishing snowpack, earlier runoff, reduced summer flows, and rising sea levels in Puget Sound in the 21st Century.

Compounding these challenges is the fragmented system now in place to manage natural resources. The region is simply not equipped or organized to solve the current problems facing Puget Sound, let alone the changes that will come. Question 3 of the Action Agenda outlines strategies and tactics needed to address the over-riding problems of habitat alteration and loss, and to fix the current management system so that these problems can be effectively addressed.

In addition, over the past year a new system was launched to better understand the relative magnitude of threats and risks in the ecosystem. The linkages between how people affect the ecosystem and how the ecosystem affects society are not always obvious, and the science of determining cause and effect at this scale is largely uncharted. NOAA's Northwest Fisheries Science Center is coordinating an "Integrated Ecosystem Assessment" (IEA) of Puget Sound—one of the first in the nation. The IEA will give the region a better understanding of the relative magnitudes of threats to the ecosystem as a whole and within particular sub-regions, as well as identify ecosystem elements most vulnerable to harm. As more information about linkages within the Puget Sound ecosystem are made clear, the impacts of human choices and the tradeoffs of these choices will be more apparent. This will enable us to more precisely tailor our recovery strategies and projects.

QUESTION 3

What actions should be taken that will move us from where we are today to a healthy Puget Sound by 2020?

The Puget Sound Partnership is charged with identifying, prioritizing, and implementing actions that will achieve the goals for a healthy Puget Sound by 2020. Understanding what a healthy ecosystem should look like in 2020 and defining the current and future threats to ecosystem health are tough questions, but the next step—determining what to do about it—is the toughest challenge of all.

During the development of the Action Agenda, people commented that we already know what the problems are and that we should just get on with fixing them. Then citizens, government agencies, interest groups, and elected officials submitted over one thousand suggestions on what should be done, illustrating some of the difficulty in prioritizing actions for Puget Sound. Most of the comments focused on a specific issue, project, or location; others described a myriad of issues that need to be addressed Sound-wide. Individually or in groups, people want to prevent oil spills, save orcas, restore their local creek, recover salmon, regulate geoduck production and harvest, increase recycling in the schools, build green, enforce existing laws, ban disposable water bottles and establish conservation reserves around Puget Sound, among a myriad of other actions. All of these actions are important, but provide little guidance on where to start and what would be the most effective use of resources.

The Partnership synthesized a significant amount of existing work and input received during the development of the Action Agenda to create five priority strategies. Together, these five priorities address major threats to ecosystem health and embrace a new approach to managing and sustaining the Puget Sound ecosystem. The list of things to do for Puget Sound is daunting and the actions cannot be tackled all at once. Building a comprehensive, consolidated list of actions is a significant step forward. Our strategies are to:

- A. **Protect** the intact ecosystem processes, structures, and functions that sustain Puget Sound. Avoiding problems before they occur is the best and most cost-effective approach to ecosystem health.
- B. **Restore** the ecosystem processes, structures, and functions that sustain Puget Sound. Protecting what we have left is not sufficient, and significant effort at an unprecedented scale is needed to undo past damage.
- C. **Prevent water pollution at its source.** Many of our efforts have focused on cleaning up degraded waters and sediments, but insufficient resources have been devoted to stopping pollutants before they reach our rivers, beaches, and species.
- D. **Work together** as a coordinated system to ensure that activities and funding are focused on the most urgent and important problems facing the region. Our current management approach to the ecosystem is fragmented, programs and laws were established on a piecemeal basis to address individual problems, and the system does

not address Sound-wide and local problems on a coordinated basis at an ecosystem scale.

- E. Build and implement the new system** to support the implementation and continual improvement of the Action Agenda. This includes using a **performance management** system that includes adaptive management, coordinated monitoring, accountability for action, and coordinated data management; providing **sufficient, stable funding** focused on priority actions; implementing a focused **scientific program** with priorities for research, appropriate measures to improve understanding of the ecosystem and the effectiveness of our actions, and clear pathways for informing decision making; and increasing and sustaining coordinated efforts for **communication, outreach, and education**.

Question 3 of the Action Agenda describes what we need to do, identifies near-term actions, and describes how we need to do this together. **Part I describes the five Sound-wide strategic priorities for the Puget Sound ecosystem**. For each priority, there is a description of the problem that it is intended to address and rationale for choosing the priority, key objectives for attaining desired ecosystem outcomes, and near-term actions needing to move the region forward. **Part II has eight action area profiles** that describe the different benefits of each action area, the major local ecosystem stressors, and the local priority actions that mirror the regional priorities and reflect local conditions and issues. The implementation roles and responsibilities for the actions are listed in the Action Agenda under Question 4: Where should we start.

How were the priorities and objectives developed?

The Action Agenda strategies and actions have been developed through extensive collaboration with experts and interests from around Puget Sound. Materials for the actions were developed after synthesizing the input from several processes. Over 300 inventories of existing programs and priority actions were provided by implementers via an online inventory, at action areas workshops, and in written comments. Topic forum papers addressing each Partnership goal and associated workshops were attended by more than 500 people, and generated over 1,200 pages of comments. In all, over 1,600 people attended workshops to develop the Action Agenda and over 8,000 comments were received in writing or online. Scientific input was obtained from the early results of the scientific assessment of the ecosystem and the topic forums, and findings were peer reviewed by the Science Panel. In addition, the legislation creating the Partnership identifies specific requirements for managing Puget Sound as an ecosystem.

The Partnership first used the topic forum papers to identify a set of principles for ecosystem management (see below). These principles were refined by the Leadership Council, Ecosystem Coordination Board, and Science Panel. With the principles in hand and the knowledge that habitat loss and water pollution are over-arching issues facing the region, the Partnership looked at the topic forum papers, comments received, and legislative direction to identify the five strategic priorities. The objectives and rationale for action under Priorities A-D was identified through a synthesis of the topic forum work—in many cases, multiple papers pointed to the same or similar needs. The near-term actions for Priorities A-D were identified through the topic forum papers, comments from the action areas, and refined through direction from the Ecosystem Coordination Board and Leadership Council. Criteria used to identify and refine the near-term actions are largely

based on the ecosystem principles. The Partnership has worked with specialists in each area to define the objectives and identify the next steps that are the near-term actions.

Both Sound-wide and locally, the near-term actions include work that should continue or be modified and new work that needs to begin. In some cases, a new long-term approach is identified with near-term guidance that work already on the books should continue in order to not lose momentum.

Over time, the strategic priorities and related actions will need to be refined as we learn more about the ecosystem and the effectiveness of particular techniques. The Biennial Science Work Plan completed in the same timeframe as the Action Agenda identifies near-term research and assessment that will help the region become more strategic. These near-term studies and what would be learned are highlighted in the beginning of Priorities A, B, and C.

Guiding Principles for Ecosystem Management in Puget Sound

The following principles arose from the topic forums and action area meetings in 2008, with refinements from the Leadership Council, Science Panel, and Ecosystem Coordination Board. These principles were used to develop the strategic priorities and actions.

- a. Address threats and choose opportunities with the highest potential magnitude of impact.
- b. Address threats with the highest level of urgency. (How imminent is the threat; will it result in an irreversible loss, how resilient are the resources that are affected?)
- c. Use strategies that have a reasonable certainty of effectiveness and reflect a balanced precautionary and adaptive approach.
 - Actions should have a realistic expectation that they will be effective in addressing the identified threat.
 - Actions and decisions about the use of resources should err on the side of caution to avoid irreversible ecological consequences.
 - Actions should be designed so that they can be measured, monitored, and adapted.
- d. Use scientific input—about the importance, urgency, and reversibility of threats; opportunities for management impact; effectiveness of actions; and monitoring and adaptation—in designing, implementing, and evaluating strategies.
- e. Use strategies that are cost effective in making efficient use of funding, personnel and resources.
- f. Address the processes that form and sustain ecosystems rather than focusing narrowly on fixing individual sites.
- g. Attempt to address threats at their origin instead of reacting after the damage has been done. Anticipate and prevent problems before they occur. (With more people coming to the region and a changing climate, a proactive strategy is increasingly important.)
- h. Consider the linkages and interactions among strategies.
 - Address multiple threats and their interactions with strategies that work together. We cannot afford to look at problems or develop solutions in isolation.
 - Watch out for unintended consequences. Evaluate strategies so that actions to address one problem do not cause harm to other ecosystem functions and resources.
 - Integrate salmon recovery actions with ecosystem management actions.
- i. Account for the variations in ecosystem conditions and processes in different geographic areas of Puget Sound. Parts of Puget Sound are fairly intact while others are severely degraded, and rebuilding strategies need flexibility to encompass regional differences. Ensure that no region or economic sector bears the entire brunt of the responsibility for implementing solutions.

Priority A: Protect Intact Ecosystem Processes, Structures, and Function

Current situation: Altering habitat and water bodies, pollution, and other human actions described in Question 2 of the Action Agenda damage and destroy the underlying ecological processes that enable Puget Sound to be healthy and productive. Human population growth and a changing climate in Puget Sound amplify the impacts of threats to ecosystem health.

The region lacks a comprehensive, integrated habitat protection strategy to protect sites and areas with the highest ecological value. Habitat protection until now has been scattered and opportunistic. Current environmental protection measures in Puget Sound fail to protect ecosystem processes and structure because the measures were intended to protect individual pieces of the system, typically at the site scale, rather than the connections between ecosystem components across the lands and waters of the larger scale Puget Sound region. Since the 1970s, federal, state, and local governments employed numerous protective regulations, land use planning tools, acquisition of property, incentive programs, and education/ stewardship programs designed to protect the environment and to manage for and minimize the adverse consequences of human population growth and associated land cover change. Despite these efforts, human use of the landscape continues to alter and degrade habitat, leaving our ecosystems at increased risk from existing and future development.

Rationale for action: Protecting high quality ecological areas is less expensive and more effective than trying to repair or recreate damaged areas. Protection of land cover is critical for making improvements in water quality. Essential to our ability to protect resources will be encouraging density in urban areas, protecting rural working lands, and avoiding sprawl. It is important to look at remaining habitat at a larger scale, determining what areas are the most ecologically intact and/or provide the greatest level of ecosystem services, and make these our highest priority for protection. An array of tools such as purchasing property and conservation easements, incentive programs, regulations and other planning tools are already available. What is needed is a strategy to match these actions with the areas that are the most important and most vulnerable.

The Action Agenda identifies a comprehensive protection strategy for Puget Sound ecosystems that reflects five primary objectives:

- *Focus growth away from ecologically important and sensitive areas by encouraging dense, compact cities and vital rural communities.*
- *Permanently protect the significant intact areas of the Puget Sound ecosystem that still function well.*
- *Protect and conserve stream flows for natural system and human uses.*
- *Protect working resources lands.*
- *Prevent and rapidly respond to the introduction of new invasive species.*

Improving strategies and actions over time: The strategies and actions identified below will need to be refined over time. Two important areas of study identified in the Biennial Science Workplan will help refine protection strategies.

- A watershed scale study of changes in land use patterns as related to the condition of aquatic habitat. This information would help better understand a) how patterns of land use impact surface water runoff and harm aquatic systems, b) at a watershed-scale, how low impact development would help maintain surface and groundwater hydrology, c) what types of urban land uses are particularly harmful to aquatic systems, and d) what scientific basis can be used to help integrate land use and water resource planning.
- A study of stressors affecting the Puget Sound pelagic food web and restoration of forage fish populations. This information would help better understand a) what ecosystem processes, structures, and functions are critical to the viability of forage fish and b) how would protection of forage fish populations influence the population dynamics of valued species.

In addition, better understanding of the effectiveness of specific protection techniques is needed.

A.1 Focus growth away from ecologically important and sensitive areas by encouraging dense, compact cities, vital rural communities, and protected areas that support the ecosystem Sound-wide.

Attractive cities with appealing neighborhoods, open and vegetated spaces, quality schools, efficient transportation systems, and cultural amenities provide a quality of life that encourages businesses and helps protect the ecosystem. Growth strategies need to encourage density in areas that are designed to support it, retain rural lifestyles, and use planning tools to keep shorelines and vegetated areas intact and functional at an ecosystem scale.

A.1.1 *Build on and coordinate existing efforts to create and implement a Sound-wide vision for accommodating population and economic growth while protecting the Puget Sound ecosystem.*

A.1.1.1 Coordinate and convene existing regional planning groups and collaborative growth process to create a consistent vision for Puget Sound and avoid duplication of effort.

A.1.1.2 Periodically review and update the regional vision.

A.1.1.3 Implement existing growth plans such as Vision 2040 and others, and coordinate implementation across the Sound.

A.1.2 *Prepare and consistently use a regional habitat protection decision-making framework to guide land use protection and restoration decisions in marine, freshwater and upland terrestrial areas.* It should be designed to be applied anywhere in Puget Sound, and when applied this guidance will bring consistency to decision-making across the region.

A.1.2.1 The protection decision-making framework will include a description of the conditions where protection (through impact avoidance) is absolutely necessary to prevent disruption of ecosystem processes in the marine, freshwater and upland terrestrial areas.

A.1.2.2 Upon completion, the habitat protection decision-making framework will help guide the watershed characterizations described in A.1.3, local protection and restoration priorities, and the Action Agenda.

A.1.3 *Use watershed characterizations to set priorities for local protection and restoration work.* The characterizations will build on and expand existing efforts to more comprehensively identify important ecosystem processes in each area and will be used to refine areas that should be protected, best suited for growth and low impact development, and prioritize restoration opportunities including stormwater retrofits.

A.1.3.1 Update and map ecosystem forming processes, structures, and functions that are intact or degraded. Use the regional habitat protection decision-making framework once it is available. Build on existing knowledge including, but not limited to, watershed or river plans, salmon recovery plans, State Biodiversity Plan, Conservation Opportunity Framework, water quality plans, Shoreline Master Programs and GMA Comprehensive Plans, Future Land Use maps, FEMA mapping, and Buildable Lands Inventories. Incorporate new information from the Nearshore General Investigation Study and Climate Change strategies. The work should be performed in a collaborative method, including local governments, interest groups and citizens.

A.1.3.2 In the near-term, perform high-level, watershed characterization studies in each WRIA and associated nearshore areas to ensure that people and institutions are protecting and restoring the highest priority areas of the ecosystem at a local scale. Over the long-term, create and map the Puget Sound's interconnected ecosystem framework in terms of habitat-forming processes, structures and functions, the food web, and species biodiversity to guide decision-making about population and economic growth. Begin with coarse-scale characterization maps that identify key areas for restoration, protection and development within the fastest growing watersheds. Subsequent characterization efforts should "drill down" to more precisely indicate the high-priority areas for protection, ecologically-important areas that are minimally altered and can be effectively restored; unique, rare, or otherwise intrinsically-valuable resources; areas where more intensive development can occur without major additional adverse effects on water quality, water flow, or habitat; and areas where development pressures are most likely to conflict with or confound future mitigation and/or restoration efforts.

A.1.3.3 Using the results of the characterization, identify near- and long-term strategies and targets to protect and restore local ecosystem processes, structures and functions; refine local and regional acquisition strategies; reduce water pollution; and accommodate growth and economic development.

A.1.3.4 Incorporate the findings into federal, state and local plans, policies, and regulations, including strategies to protect natural resource industries as appropriate.

A.1 Near-term Actions

1. Convene a regional planning forum to create a coordinated vision for guiding growth at an ecosystem scale. This should include the Puget Sound Regional Council, existing collaborative process such as the Cascade and Olympic Agendas and Quality Growth Alliance, and other growth related processes for agriculture, transportation, and other sectors.
2. Prepare a set of criteria to guide decisions for acquiring and protecting high-value, high-risk habitat. Convene a working team of scientists and experts from various disciplines to produce a protection decision-making framework. Work collaboratively with the Science Panel and implementers.
3. Initiate or complete maps for each of the watersheds within the Puget Sound basin to identify sites and functions that are the most urgent and important for protection. Build on existing work such as the salmon recovery plan and other assessments and utilize local knowledge and input. Start with counties next in line to complete Shoreline Management Plan updates.

A.2 Permanently protect the significant intact areas of the Puget Sound ecosystem that still function well.

Permanent protection of intact habitat can translate to dedicated networks of open spaces, preserves, wildlife corridors, functional working resource lands, and nearshore and estuarine environments, making this a cornerstone of the Puget Sound protection strategy.

Protection tools include regulatory programs and acquisition programs, including the outright purchase of property or partial acquisition of development rights or conservation easements. Acquiring development rights from highly productive working resource lands, such as farms and forests, is an effective way to protect ecosystem processes/structures while ensuring long-term productivity of working landscapes and rural communities.

A.2.1 Permanently protect lands at immediate risk of conversion that support intact ecosystem processes through the acquisition of full or partial property interests.

- A.2.1.1 Acquire specific lands at risk of conversion or impacts from other human activities. For the near-term, complete priority acquisition projects identified through established processes (e.g., salmon recovery and others) and/or other sub-regional acquisition strategies developed using ecosystem recovery principles. Over the long-term, acquire property identified through the watershed characterizations and protection prioritization (see A.1). For working farms and forests, use tools that keep land in production.
- A.2.1.2 Establish and fund a mechanism to rapidly acquire lands at immediate risk of conversion.
- A.2.1.3 Implement a strategic network of Marine Managed Areas that contribute to conserving the biological diversity and ecosystem health of Puget Sound.

- A.2.2 *Update and implement regulatory programs related to growth and shoreline protection to increase levels of protection while increasing density in urban areas.*
- A.2.2.1 Assist local governments in completing and implementing Growth Management Act, Critical Areas Ordinances, and Shoreline Master Program Updates on schedule and as written.
 - A.2.2.2 Provide model planning policies to local governments to improve the effectiveness of the local Growth Management Act and Shoreline Management Act programs. Priority should be given to local governments that lack technical expertise, planning staff, and funding.
 - A.2.2.3 Amend the Shoreline Management Act statutes and rules to be more protective of nearshore environments.
 - A.2.2.4 Work with FEMA and local governments to prevent further residential, commercial and industrial development in floodplains.
 - A.2.2.5 Limit density in rural areas and GMA designated natural resource lands, using a mix of tools including voluntary incentives, model ordinances, or legislation for the purposes of maintaining functioning ecosystem processes and forest cover.
 - A.2.2.6 Resolve barriers that currently limit density and infill development in cities and within urban growth areas, such as annexation issues, revenue sharing, and transportation concurrency.
 - A.2.2.7 Use development incentives to increase and improve redevelopment within urban growth areas, including those for stormwater management upgrades and restoration. Example incentives could include flexible design standards such as setbacks, building height restrictions, parking and road design; use of transfer of development rights; and property tax incentives such as the Public Benefit Rating System program.

A.2 Near-term Actions

1. Purchase high value habitat and land at immediate risk of conversion as identified through existing processes such as the salmon recovery plans and others.
2. Advocate for proposed Wilderness designations: a) Support Alpine Lakes Wilderness addition and b) Pratt River Wild and Scenic Designation
3. Convene a task force to develop a recommended mechanism to the Partnership on options to rapidly acquire properties with high ecological value and imminent risk of conversion. This work must augment and integrate with existing rapid acquisition programs.
4. Work with the Marine Managed Areas Work Group chaired by WDFW to develop recommendations to improve the effectiveness of MPAs by December 2009. Prepare to incorporate recommendations for MPAs in Puget Sound into the Action Agenda and take a lead role in implementation. In consultation with the tribes and other stakeholders, complete the management plans for existing marine managed areas (Cherry Point) and develop management plans for the following nominated reserves: Nisqually Estuary, Protection Island, and Smith Island.

5. Provide funding and technical assistance to local jurisdictions to update local shoreline management programs by current deadlines with all updates complete by 2013. Encourage consistency with the Action Agenda priorities.
6. Provide local governments with guidance regarding a strategy to achieve and measure no-net-loss of ecological function as required by the Shoreline Management Act and the Shoreline Master Program guidelines. This guidance should refer to Shoreline Master Program guidance, the multi-agency Aquatic Habitat Guidelines program, and the Puget Sound Nearshore Partnership. Produce and make available a template for monitoring no-net-loss and guidance on avoidance and minimization of impacts.
7. Change Shoreline Management Act statutes and regulations to require a shoreline conditional use permit for bulkheads and docks associated with all residential development; for all new shoreline hardening; for all seawall/bulkhead/revetment repair projects; and for new docks and piers. Changes should be made to require soft armoring techniques be used where new armoring or retrofits are unavoidable. No-net-loss of shoreline function should be required and new shoreline hardening should be prohibited in areas with feeder bluffs. New over water structures or shoreline hardening in the vicinity of forage fish spawning areas and eel grass beds should also be restricted.

A.3 Protect and conserve freshwater resources to increase and sustain water availability for instream and human uses.

Surface water flows and groundwater resources in most watersheds of Puget Sound have been compromised as a result of dams, other modifications, loss and change of vegetative cover, and water withdrawals for municipal, domestic, commercial, industrial, and agricultural water supplies. As a result, Puget Sound aquatic habitats are degraded, native species have experienced a reduction in abundance, viability, and diversity, and there is an uncertain future water supply for human consumption. Of the 19 primary watersheds in Puget Sound, 11 are known to have low flows that maybe limiting to fish survival and 17 are listed as having potential flow problems for salmon.

A comprehensive approach to protecting year-round, instream flows is needed for Puget Sound watersheds. Current approaches to managing streamflows, water use, land use, and stormwater management are fragmented and the many programs that address water quantity are not coordinated. A fundamental realignment in policy and regulation is needed at the state level to fix the system, one that ensures that individual programs can achieve their goals while protecting natural hydrologic processes and associated habitats within Puget Sound watersheds.

A.3.1 Implement and update stream flow protection and enhancement programs.

- A.3.1.1 Ensure instream flows are protected by rule in each Puget Sound watershed and ensure instream flow rules are based on the most complete and current science pertaining to hydrologic processes

- A.3.1.2 Develop coordinated watershed-based water management strategies, accounting for existing ecosystem goals, water management agreements, and projections of future instream flow demands.
- A.3.1.3 Implement the existing watershed management plans, including water resource plans under the state Watershed Planning Act (HB2514), consistent with the Action Agenda and coordinated with other local protection and restoration efforts including salmon recovery.
- A.3.2 *Reform state water laws to be more protective of instream flows and encourage conservation.*
 - A.3.2.1 Discourage waste of water resources and protect instream flows by addressing water laws that deter conservation and efficiency.
 - A.3.2.2 Use pricing structures to discourage inefficient and unnecessary use of municipal water, particularly in flow limited areas or low flow periods.
 - A.3.2.3 Evaluate and implement solutions to water use issues related to exempt wells.
 - A.3.2.4 Improve compliance with existing water laws.
- A.3.3 *Expand opportunities to reuse, reclaim, and recycle water resources.*
 - A.3.3.1 Establish rules or standards which promote the use and reuse of recycled water.
 - A.3.3.2 Identify and address barriers to improve use and reuse of rainwater, graywater, stormwater, and wastewater.
 - A.3.3.3 Promote use and treatment of water resources as close to the source as possible.

A.3 Near-term Actions

1. Complete setting flow rules in watersheds that currently do not have instream flow rules, with priority given to critical basins or those with known significant problems meeting instream or out-of-stream demands.
2. Begin to update instream flow rules to ensure they are based on current science. Focus this work initially in basins with flow rules that were set before 1986 and for water limited basins.
3. Develop and implement the comprehensive basin flow protection and enhancement programs called for in the Puget Sound Chinook Recovery Plan.
4. Implement the recommendations from approved water quantity plans under the Watershed Planning Act (HB 2514) consistent with the Action Agenda and coordinated with other local restoration and protection efforts.
5. Evaluate and implement solutions to exempt well issues. Start by convening a stakeholder group to identify management options and make a recommendation to the Partnership and Department of Ecology.
6. Establish local water masters to increase water code compliance and enforcement. Provide funding for water masters to be local contact to water users, provide a local

compliance presence, protect the resource, reduce water use, and protect senior water rights, including instream flows.

7. Support municipal water systems implementation of Washington Department of Health's Water Use Efficiency Rule, including establishing water conservation goals, metering, and reporting from all municipal suppliers.
8. Develop a graywater reuse rule by December 31, 2010.

A.4 Support long-term protection and stewardship of working farms, forests, and aquatic lands to help maintain ecosystem functions, sustained quality of life, and improved viability of rural communities.

There are numerous voluntary incentive and stewardship programs available to rural property owners in Washington State. Landowner incentive programs include direct financial incentives (e.g., grants, subsidized loans, cost-shares, leases); indirect financial incentives (e.g., property or sales tax relief), technical assistance (e.g., referrals, education, training, design assistance programs), and recognition and certification of products and operations. Current use and effectiveness of voluntary incentive and stewardship programs vary; program management costs to government can be prohibitive, the most willing property owner participants may not be situated in highest priority areas, and these programs do not guarantee long term protection given the voluntary nature of participation.

A.4.1 *Use, coordinate, expand and promote financial incentives that allow working lands to stay viable.* These include, but are not limited to, purchase of development rights and conservation easements, transfer of development rights, and property tax incentives such as the Public Benefit Rating System.

A.4.2 *Use, coordinate, expand and promote existing landowner stewardship programs to help protect high value land and water resources.*

A.4.2.1 Focus stewardship programs on Action Agenda priorities and incorporate the watershed characterization results to refine geographic areas and problems to address.

A.4.2.2 Expand rural participation rates in voluntary site stewardship programs.

A.4.3 *Support economically viable farms and agriculture that are protective of watershed health and reduce land conversion.*

A.4.3.1 Expand programs that support the economic viability of farms in Puget Sound. This could include expanding cooperative marketing programs such as Puget Sound Fresh to bring locally-grown food to Puget Sound markets; amending GMA to authorize farm-related business activities to be conducted on designated agricultural lands; and supporting the State Farmland Legacy Program, and related activities and groups working to preserve Puget Sound farmland (e.g., Future of Agriculture Initiative and Skagitonians to Preserve Farmland)

A.4.3.2 Use incentive programs to encourage farmers and landowners with hobby farms in rural areas to engage in sustainable farming practices.

A.4.3.3 When conducting land use and conservation planning, including watershed assessments, engage the farming communities as important stakeholders.

A.4.4 *Promote economically viable working forests that are protective of watershed health and reduce forest conversion.*

A.4.4.1 Maintain publicly owned and industrial forest production while achieving ecosystem goals and consistent with the Action Agenda.

A.4.4.2 Support small working forests through non-regulatory incentive and technical assistance programs.

A.4.4.3 When conducting land use and conservation planning, including watershed assessments, engage large and small forest landowners as important stakeholders.

A.4.5 *Promote working aquatic lands that are protective of ecosystem health to provide abundant shellfish for commercial, subsistence, and recreational harvest.*

A.4.5.1 Implement best management practices for shellfish production.

A.4.5.2 Resolve conflicts between aquaculture and upland uses, particularly in South Sound. Continue the work of the Shellfish Advisory Committee.

A.4.5.3 Implement actions from Washington Department of Natural Resources Aquatic Habitat Conservation Plan (HCP) that protect critical habitat.

A.4 Near-term Actions

1. Purchase development rights or use conservation easements for working lands at immediate risk of conversion.
2. Coordinate with the SSB 5248 project by the Ruckelshaus Center that is working to resolve conflicts between agricultural activities and critical areas regulations.
3. Support the Conservation Commission's efforts to protect productive agricultural areas consistent with the Action Agenda priorities.
4. Continue to implement existing forest practice plans and regulations consistent with the Action Agenda including the state trust lands Habitat Conservation Plan, state forest practices rules, and Road Maintenance and Abandonment Plans as informed by the Forest and Fish Plan, and others.
5. Continue ongoing work to resolve conflicts between aquaculture and upland uses.
6. Implement components of the Washington Department of Natural Resource Aquatic Habitat Conservation Plan (HCP) that protect critical habitat.

A.5 Prevent and rapidly respond to the introduction of new invasive species.

Invasive, non-native species are brought to the Puget Sound through many ways such as imported fruits, plants, vegetables; ballast water discharge from ships; imported soil; and

commercial/recreational boat hulls. In Puget Sound, invasive species can alter native species and habitats in a variety of ways, including but not limited to competing with or feeding on native species, reducing the resiliency of ecosystems, changing local habitats, affecting flood patterns, and introducing diseases. Preventing the introduction of new invasive species is more effective than trying to reduce and remove them later.

A.5.1 *Implement key recommendations for the Puget Sound region that will prevent the introduction of new invasive species as identified in the Invasive Species Council "Invaders at the Gate" Strategic Plan.*

A.5.2 *Reduce potential risks from ballast water.*

A.5 Near-term Actions

1. Advocate for national or west coast regional ballast water discharge standards.
2. Implement the Department of Fish and Wildlife ballast water regulatory compliance monitoring program.
3. Develop a Puget Sound baseline and database of invasive species to guide control efforts.

Priority B: Restore Ecosystem Processes, Structures, and Functions

Current situation: In the course of building homes, businesses, roads, and infrastructure, the lands and waters of Puget Sound have been drastically modified. Levees, dams, and toxic deposits are obvious and site-specific impacts, but less obvious are the cumulative changes from human land use activities, such as bulkheads, docks, vegetation removal, and other actions. These activities have damaged the underlying processes that form beaches, keep rivers healthy, and support species. Historically, the actions that led to ecosystem degradation were intended to improve the quality of life for Puget Sound residents, but with closed shellfish beds, flooding, species decline and other impacts it is clear that ecosystem rebuilding efforts are needed.

Rationale for action: Protecting the habitats and functions that are left is critical, but will not be enough to restore the health of the ecosystem. The condition of Puget Sound must be improved from its present state. Restoration strategies once focused on what was called the “low hanging fruit,” referring to specific projects on individual sites. These projects were ready to go, relatively easy to fund, construct, and report on, but they don’t necessarily add up to a restored ecosystem. Scientists now emphasize the importance of restoration strategies that consider sequence, function, and scale. Will the restoration work be obliterated by something that is occurring upstream? Will it connect habitat patches into a functional network or just fix an isolated site? And will restoration work address urgent, large-scale problems such as estuary loss at the mouths of our rivers, or the nutrient loading that depletes oxygen in the waters of Hood Canal or South Sound? Finally, will restoration add up to improvement in the quality of life for people by reducing flooding, providing clean water, making shellfish edible, and producing fish and wildlife in the creeks, woodlands, beaches, and marshes throughout Puget Sound?

A restoration strategy for Puget Sound has three major elements. First is the need to undertake ecosystem rebuilding at a large scale in a variety of habitats throughout Puget Sound. In the same way that protection actions must set priorities for the remaining valuable habitat in Puget Sound, restoration work must focus on improving underlying functions of the ecosystem, and work efficiently on projects that are likely to have large-scale and long lasting returns. Second, restoration work has significant potential to help revitalize human communities, by removing toxic waste, rebuilding shorelines, and clearing the way to restore vibrant waterfronts. Finally, we must ensure that stewardship is implemented to break the cycle of degrade-restore-degrade that carries substantial economic costs and risk to human health and well-being.

The Action Agenda identifies a comprehensive restoration strategy for Puget Sound ecosystems that reflects these three primary objectives:

- *Implement and maintain priority ecosystem restoration projects for marine, marine nearshore, estuary, freshwater, riparian, and uplands.*
- *Revitalize waterfront communities while enhancing marine and freshwater shoreline environments.*
- *Support and implement stewardship incentive programs to increase private landowners ability to undertake restoration projects.*

Improving strategies and actions over time: The strategies and actions identified below will need to be refined over time. Two important areas of study identified in the Biennial Science Workplan will help refine protection strategies.

- The Action Agenda emphasizing the implementation of salmon recovery projects and identifies the restoration of Puget Sound estuaries as important to the ecosystem. By designing one or more of the large estuary restoration projects as experimental designs that can be measured, scientists and resource managers would be better poised to answer whether actions work as planned; the role of nearshore biology, physical processes, and functions in the broader ecosystem context; and what findings can inform similar projects around Puget Sound.
- The ability model future ecosystem impacts will also improve restoration strategies by identifying how restoration projects affect future conditions and how climate change affects restoration opportunities.

B.1 Implement and maintain priority ecosystem restoration projects for marine, marine nearshore, estuary, freshwater riparian and uplands.

The continued implementation of species recovery plans is a cornerstone of the restoration strategy for Puget Sound. Salmon recovery plans provide a broad suite of high priority restoration projects that have been scientifically reviewed and have substantial community support. These projects will result in expanded salmon habitat as well as broader ecosystem benefits such as improved water quality, scenic values, and improvements to other species. Restoration project types are highly varied and are tailored to local watershed conditions. Reconstruction of river delta habitat is a high priority in many river systems, and other project types include reforestation, removal of levees and shoreline armoring, and the removal of derelict fishing gear.

In the near-term, prioritize the implementation of restoration projects identified within existing species recovery plans, flood hazard management plans, road decommissioning plans, and other documented, well-vetted processes. Over the long-term, implement projects identified through the watershed assessment and harmonization of existing efforts identified in Priority A.1.

B.1 Near-term Actions

1. Implement restoration projects in the salmon recovery three-year work plans and the Estuary and Salmon Restoration Program of the Nearshore Partnership.
2. Complete large-scale restoration projects at the mouths of major river systems in Puget Sound where there is a high likelihood of recreating ecosystem function. These large-scale projects often require funding amounts not typically available through current grant programs. Examples of projects which already have substantial analysis and are in progress include:
 - a. Finish restoration of 762 acres of Nisqually Estuary, by removing dikes to return the area to tidal influence.
 - b. Fund the restoration of 400 acres of tidal marsh associated with the Smith Island Estuarine Restoration project in the Snohomish River Estuary.

- c. Restore floodplain and river processes in the lower 2.6 miles of the Dungeness River.
- 3. Complete the Puget Sound Nearshore Partnership's General Investigation in a timely way to identify and refine nearshore restoration opportunities and move toward implementation.

B.2 Revitalize waterfront communities while enhancing marine and freshwater shoreline environments.

The transition from a resource-based economy has left some Puget Sound communities with degraded waterfronts from old industrial communities. Many of Puget Sound's urban centers are located on marine or freshwater shorelines, but few have been able to develop a built environment that complements their shoreline environment. Restoration and stewardship actions can remove obstacles to waterfront redevelopment and reduce new impacts from waterfront activities.

B.2.1 *Restore urban waterfront areas and communities in a manner which complements functioning shoreline ecosystems.*

B.2.1.1 Improve the coordination of waterfront restoration and clean up efforts.

B.2.1.2 Prioritize habitat restoration at clean up sites which are located proximate to intact ecosystems and where the probability of recreating ecosystem function is high.

B.2.2 *Expand and fund "green port" and clean marina programs to foster environmental stewardship for port and marina development and management.*

B.2 Near-term Actions

1. Fund a one year pilot program to develop a coordinated clean up and restoration plan for the Port Angeles Harbor and waterfront. Implement the plan upon completion.
2. Continue Bellingham Bay Pilot Program to clean up Bellingham Bay in a coordinated way.

B.3 Support and implement stewardship incentive programs to increase private landowners ability to undertake restoration projects.

Restoration actions vary in scale and take place on both public and private lands. There are currently numerous programs available in Washington State that can have positive outcomes for the environment with appropriate incentives, technical assistance, and participation. Examples include: direct financial incentives (grants, subsidized loans, cost-shares); indirect financial incentives (property tax relief); technical assistance (referrals, trainings, design assistance); and recognition/certification for products or operations.

B.3.1 *Develop, use, coordinate, expand and promote financial incentives, technical assistance, and outreach that encourage private landowners to undertake and maintain restoration projects.*

B.3.2 *Implement incentives for industrial and commercial landowners.*

B.3 Near-term Actions

1. Implement coordinated incentive and technical assistance programs for private landowners through the Conservation District, WSU Extension, and local governments.

Priority C: Reduce the Sources of Water Pollution

Current situation: Pollution of the rivers, creeks, bays, and open waters of Puget Sound comes from a variety of sources and travels along many pathways. Treated municipal sewage, spilled fuel, deposition of air pollution, legacy toxic pollutants, disease-bearing organisms from septic systems and harmful algal blooms, fertilizers, erosion, and the runoff from roads and parking lots all find their way into the waters of Puget Sound, where they harm fish and wildlife and create direct health risks to people. Polluted waters reduce ecosystem services – pollution results in shellfish closures, beach closures, impacts to recreation, loss of cultural resources, consumption warnings for fish, and low oxygen conditions that kill marine species. Increasing amounts of people, cars, and pavement mean more pollutants entering the waterways in higher concentrations at a faster rate.

Even as we clean up old contaminated sites, we allow new pollutants such as synthetic hormones to enter the water, many of which we know very little about or have few standards and testing methods to evaluate. Although progress has occurred at individual locations, other sites have worsened and grappling with the multiple problems of water quality at a regional level has been difficult. Past water quality programs have often emphasized expensive clean up programs without adequate emphasis on reducing new pollution. Many new and emerging pollutants are not well understood. Current water quality management practices in Puget Sound do not reflect an ecosystem approach, are not well coordinated, and do not effectively address the ubiquitous nature of pollutants in our freshwater and marine systems.

Rationale for action: Improving ground and surface water quality in Puget Sound will require a regional commitment to reducing the multiple sources of water pollution prior to their entry into the system. Implementing the clean up of contaminated sites still must occur, with priorities and appropriate sequencing, and the nutrients and disease-bearing organisms from human and animal waste must be prevented from degrading Puget Sound streams and saltwater.

The Action Agenda identifies a coordinated regional approach to reducing the sources of water pollution in Puget Sound that reflects six primary objectives:

- *Prevent pollutants from being introduced into Puget Sound ecosystems.*
- *Use a comprehensive and integrated approach to managing urban stormwater and rural surface water runoff.*
- *Manage and prioritize upgrades to wastewater treatment plants.*
- *Establish and maintain locally coordinated, effective on-site sewage system management to reduce pollutant loading to vulnerable surface waters.*
- *Prioritize and implement projects to clean up toxic contamination in water and upland areas.*
- *Continue monitoring programs which reduce human exposure to health hazards in marine, nearshore, and estuarine environments.*

Improving strategies and actions over time: The strategies and actions identified below will need to be refined over time. The Biennial Science Workplan identifies several areas of study to help refine protection strategies, including a watershed-scale study of stormwater management strategies on pollutant loads. The Action Agenda identifies stormwater runoff as a major way

pollutants are washed into fresh and marine waters. The watershed study will provide better understanding of what makes a particular stormwater discharge likely to cause harm, whether and how well retrofits reverse past harms, what combinations of management techniques are effective at minimizing harm, and what types of findings are most transferrable to other locations.

C.1 Prevent pollutants from being introduced into the Puget Sound ecosystem to decrease the loadings from toxics, nutrients, and pathogens.

The most reliable and cost effective way to manage for water quality health is to target the sources of contaminants, prior to their entry into Puget Sound's surface and groundwater system. Source control tactics include education, pollution prevention, innovative technologies, open space protection, low impact development, natural infrastructure, and engineered solutions.

C.1.1 Implement a prioritized, comprehensive management program to reduce loadings of toxics into Puget Sound.

- C.1.1.1 Conduct public outreach focused on reduction of pollutants and pharmaceuticals. As a first step, focus on pollutants identified in the Phases I and II of the regional toxic loading study that are priority threats to Puget Sound.
- C.1.1.2 Advocate national standards for new and emerging contaminants.
- C.1.1.3 Advocate strategies including chemical substitutions, cradle to grave management of products with hazardous materials and chemicals, and the reduction and reuse of materials where possible.
- C.1.1.4 Accelerate reduction of the loading of Persistent Bioaccumulative Toxic chemicals to Puget Sound.
- C.1.1.5 Continue to invest in technologies that reduce toxic pollutants.

C.1.2 Implement targeted air emission and source control programs for land-based vehicles, marine vessels, and air transportation.

- C.1.2.1 Expand oil spill prevention and interagency spill response programs. Consider and integrate as appropriate the recommendations of the Oil Spill Advisory Council into the overall pollution reduction strategy. Permanently maintain a year-round rescue tug at Neah Bay in support of enhanced emergency response capabilities.
- C.1.2.2 Promote efforts that reduce the number of vehicles on the road to reduce pollutants entering Puget Sound from roads and parking lots.
- C.1.2.3 Establish No Discharge Zones for all or parts of Puget Sound that are nutrient-limited, have high vessel use, and are significant for shellfish production. Establishing no discharge zones will require pump-out facilities with maintenance programs prior to implementation of the new rules.
- C.1.2.4 Implement existing air quality management plans to decrease risks to human health and reduce pollution, as part of the overall pollution reduction strategy.

- C.1.3 *Develop and implement water quality clean up and management plans to reduce pollutant loads.* In the near term, implement existing Water Quality Management Plans (TDML), Shellfish Protection District, and other water quality plans. In the long term, implement comprehensive watershed-based and regionally coordinated approaches to controlling and treating pollutants that is integrated with other strategies to protect and restore Puget Sound.

C.1 Near-term Actions

1. Conduct a focused outreach campaign to reduce pollutants identified in the Phase II of the toxic loading study that are priority threats to Puget Sound. This effort would likely be focused on pharmaceuticals and pollutants in stormwater runoff and include a pharmaceutical take-back program.
2. Implement Department of Ecology's Persistent Bioaccumulative Toxins (PBT) program to reduce and eventually eliminate the use of all chemicals on the PBT list.
3. Permanently fund a rescue tug at Neah Bay. Advocate for a permanent federal funding mechanism for an emergency response rescue tug at Neah Bay. If federal legislation is not passed, seek and support one year funding for FY 2010 and pursue a dedicated state funding option.
4. Obtain enhanced delegated authority from the Coast Guard to the Department of Ecology to inspect vessels, investigate incidents, and approve oil spill prevention plans for vessels and facilities.
5. Petition EPA to establish Puget Sound as a No Discharge Zone to eliminate bacteria, nutrients and pathogens from being discharged into Puget Sound. Prioritize areas of the Sound that are nutrient limited, have high vessel use, are significant for shellfish production and/or that are otherwise especially vulnerable for phase in of the no discharge zone.
6. Implement existing air management plans consistent with the Action Agenda.
7. Implement Shellfish Protection District plans, Marine Managed Area plans, and related projects to restore water quality at commercial and recreational shellfish areas that are degraded or threatened.
8. Implement immediate remediation actions to address Hood Canal's low dissolved oxygen concentrations through the Hood Canal Dissolved Oxygen Program.
9. Implement priority strategies and actions to address low dissolved oxygen in South Sound, targeted areas in the Whidbey Basin, and other vulnerable areas.

C.2 Use a comprehensive, integrated approach to managing urban stormwater and rural surface water runoff to reduce stormwater volumes and pollutant loadings.

Surface water and stormwater runoff in urban and rural areas are primary transporters of contaminants to surface and groundwater resources throughout the Puget Sound basin. Strategic elements of a comprehensive approach to reducing surface and stormwater volumes and pollutant loadings include managing surface water closer to its source and when possible, protecting and restoring the natural processes related to flow and filtration.

- C.2.1 *Integrate efforts to manage stormwater discharges with work to protect land cover and reduce pollutants at the watershed scale and across Puget Sound.* This means

implementing the land use protection actions described in Priority A and D, as well as loadings reduction in C.1.

- C.2.1.1 Investigate, and if appropriate and feasible, establish watershed-scale stormwater permits through Section 208 of the Clean Water Act. Focus permits on the multitude of discharges that occur in logical geographic areas, rather than discharge-specific inputs or jurisdictional boundaries.
- C.2.1.2 Establish priorities and resource needs for creating a coordinated water quality monitoring program under National Pollutant Discharge Elimination System (NPDES).

C.2.2 *Manage stormwater runoff in urban and urbanizing areas to reduce stormwater related impacts.*

- C.2.2.1 Implement the municipal stormwater NPDES Phase I and II permits, so that water quality standards are met. Provide financial and technical assistance to permitted cities and counties.
- C.2.2.2 Improve stormwater management in communities not currently covered by NPDES permits by providing financial and technical assistance to local governments to create local comprehensive stormwater control programs. Investigate expansion of NPDES permit coverage to include jurisdictions with municipal separated storm sewer systems (MS4) that currently fall under the thresholds used by the NPDES and 303(d) process. Initiate work in areas with documented stormwater-related problems and intact resources that are threatened by surface runoff.
- C.2.2.3 Assist cities and counties in adopting low impact development (LID) stormwater codes for development and redevelopment. Provide standards for low impact development and establish criteria to determine where LID is feasible.
- C.2.2.4 Advance the use of low impact development approaches to stormwater management. This includes, but is not limited to: a) resolve institutional barriers which limit use of low impact development for road construction and stormwater flow control projects, b) implement, assess, and promote successful examples of low impact development techniques, c) develop incentives for using low impact development, d) develop focused training for contractors and developers, and e) develop focused training for local government staff on areas best suited for low development impact and assist them in revising their regulations to allow low impact development.
- C.2.2.5 Evaluate the technical and programmatic solutions for Combined Sewer Overflows (CSOs) in the context of improving water quality in fresh and marine water and preserving and recovering the health of Puget Sound.
- C.2.2.6 Prioritize and implement stormwater retrofits in urban areas. In the near term, develop high level prioritization criteria for the selection of new projects. Over the long-term, link retrofit priorities to coordinated watershed clean up and prevention strategies.

C.2.3 *Manage surface water run-off in rural areas and on working resource lands to reduce pollutant loadings*

- C.2.3.1 Implement existing road maintenance and abandonment plans on public and privately held working forests.
- C.2.3.2 Fund and implement voluntary incentive, stewardship and technical assistance programs for rural unincorporated landowners, hobby farms, working farms, and nurseries.

C.2 Near-term Actions

1. Establish a regional coordinated monitoring program for stormwater, working with the Monitoring Consortium of the Stormwater Work Group (see E.3).
2. Provide financial and technical assistance to cities and counties to implement NPDES Phase I and II permits.
3. Assist cities and counties in adopting low impact development stormwater codes for development and redevelopment.
4. Develop and implement low impact development incentives. Work with regional experts to develop and implement incentives and remove barriers to the use of low impact stormwater management techniques on development projects.
5. Convene a focus group to evaluate the technical and programmatic solutions for CSOs in the context of improving water quality in fresh and marine water. The integration of CSO solutions into the larger range of solutions to stormwater and other water quality problems may improve the cost effectiveness of both programs in urban areas, notably Seattle and King County. This will require flexibility in implementation, timing, and scope of municipal wastewater NPDES program as applied to CSOs.
6. Develop high-level criteria that can be applied in 2009 to determine the highest priority areas around the Sound for stormwater retrofits. Implement projects based upon these criteria to bring areas into compliance with current stormwater regulations, including low impact stormwater management techniques. Monitor effectiveness of the techniques.
7. Implement road maintenance and abandonment programs for federal and state owned lands (including trustlands) as well as private timber lands.
8. Implement private property stewardship, incentive, and technical assistance programs (e.g. Conservation Districts, WSU Extension, local government programs) that focus on reducing sources of water pollution, particularly in priority areas.

C.3 Prioritize and complete upgrades to wastewater treatment facilities to reduce pollutant loading.

Wastewater is a source of a broad spectrum of pollutants, including nutrients and pathogens, to Puget Sound. Wastewater treatment removes or transforms many but not all contaminants, and treated municipal sewage contains a mixture of personal care products, caffeine, endocrine-mimicking chemicals and other pharmaceuticals. Land based wastewater treatment plants discharge an estimated 400 million gallons per day of treated water into Puget Sound. Combined sewer outflows (CSOs) sometimes discharge mixed stormwater and untreated wastewater to Puget Sound during wet weather when conveyance or plant capacities are exceeded.

Technical approaches to wastewater treatment vary depending upon the type of waste and age of the facility. Municipal, onsite and combined sewer overflow treatment facilities primarily focus on removing pathogens, biochemical oxygen demand, and suspended solids with a primary objective of protecting human health. Industrial facilities typically have systems customized to their waste products and sometimes discharge to municipal systems following pre-treatment. Many wastewater treatment plants are outdated and lack advanced treatment technology.

C.3.1 *Implement priority upgrades of wastewater facilities in urban and urbanizing areas to increase effectiveness of treatment, especially in nutrient sensitive areas of Puget Sound.*

C.3.1.1 Investigate requiring nitrogen removal at treatment plants in targeted areas including those with nutrient loading issues and vulnerable waters.

C.3.2 *Improve local government project readiness by providing technical assistance to local governments with wastewater treatment plants scheduled to be upgraded in the next five to ten years or in locations where significant nutrient loading originates. Priority will be given to projects that reduce pollutant loadings (nutrients, toxics, and pathogens) and that develop alternative water supplies by reclaiming and reusing municipal wastewater.*

C.3.3 *Require federal facilities to reduce nutrient and pathogen loading consistent with the Action Agenda priorities.*

C.3.4 *Continue to investigate and invest in technologies that reduce nutrients, pathogens and emerging chemicals.*

C.3 Near-term Actions

1. Ensure that AKART (All Known and Reasonable Technology) or better standards are met in nutrient sensitive areas such as Hood Canal, South Sound, and the Whidbey Basin.
2. Provide funding and technical assistance to local governments, particularly in nutrient sensitive areas, to initiate projects to upgrade wastewater treatment facilities.
3. Support federal facilities in reducing nutrient and pathogens, particularly in already impaired areas.

C.4 Establish and maintain locally coordinated, effective on-site sewage system management to reduce pollutant loading to vulnerable surface waters.

Rural communities in Puget Sound lack municipal wastewater treatment facilities and residents typically use on-site wastewater treatment techniques for sewage treatment. There are an estimated 500,000 on-site septic systems in the Puget Sound basin, many located adjacent to vulnerable water bodies. Failing septic systems threaten water quality and public health. Well designed, sited, and constructed on-site septic systems are effective in removing pathogens and indicator bacteria from wastewater, though they are less effective in removing nitrogen and other nutrients.

C.4.1 *Establish, in each county, a coordinated way to systematically identify and replace failing or poorly functioning septic and on-site treatment systems, as well as address long term maintenance needs for these systems.*

C.4.1.1 Implement on site septic plans in Marine Managed Areas, per 3SHB 1458 (On-site Sewage Disposal System 2006).

C.4.1.2 Investigate the contribution of on-site septic systems to pollutant loadings in freshwater environments.

C.4.1.3 Establish septic utilities to ensure that existing septic systems and large onsite septic systems are well maintained, and increase capacity of local health jurisdictions to implement on-site septic management plans. This effort should focus first on South Sound, Hood Canal, and other areas prone to increasing levels of hypoxia and in shellfish threatened areas. Encourage community systems in areas of high residential density and promote nitrogen-reducing technology where feasible.

C.4.2 *Review and, as appropriate, approve new septic system treatment technologies for use in Washington State*

C.4.3 *Provide innovative cost-share and loan programs for homeowners.*

C.4 Near-term Actions

1. Develop and implement septic system management plans in each Puget Sound county.
2. Revise the current septic system rule no later than December 2010 so that standards are established to address new septic system technologies. Review technologies and address operation and maintenance issues.
3. Enhance and target septic loan programs to ensure that programs are targeted to areas with demonstrated loading issues and vulnerable waters. Leverage public and private funds to increase the scope of loan programs.

C.5 Prioritize and continue to implement toxic clean up programs for contaminated waterways and sediments.

Remediation and clean up of contaminated waterways and sediments, which exceed state and federal regulatory thresholds, typically involves groundwater, sediment in deltas, estuaries and depositional zones, and freshwater lakes. Remediation is costly and requires extensive coordination among many stakeholders. Most clean up actions target sediments containing a number of legacy contaminants such as DDT and PCBs that impact water quality and can bioaccumulate in aquatic organisms. There are 115 contaminated marine sediment sites in Puget Sound, many of which are currently undergoing active clean up. The water quality management strategy for Puget Sound reflects a continued commitment to completing remediation projects in conjunction with expanded source control programs to prevent future contaminants from entering the system.

C.5.1 *Prioritize and sequence Puget Sound clean up and remediation projects to reduce the loadings to the system, as informed by the Toxics Loading Study, Urban Bay, and other studies.*

C.5.2 *Accelerate priority clean up projects.* In the near term, continue to implement current high priority remediation and clean up projects. In the long term, implement those projects which meet prioritization and sequencing criteria.

C.5 Near-term Actions

1. Continue to implement ongoing high priority remediation and clean up projects.
2. Refine the Washington State Department of Ecology near-term prioritization criteria for site clean ups to be consistent with the Action Agenda and incorporate criteria into toxic clean up grant programs. Criteria should include, but not be limited to, vulnerability of receiving waters, contribution of the site to overall water pollution and public health, and potential for recontamination.

C.6 Continue to monitor swimming beaches as well as conduct shellfish and fish advisory programs to reduce human exposure to health hazards.

People and other species encounter a variety of air, soil, and water-based pollutants throughout Puget Sound. If certain thresholds and other conditions are met, individuals may become ill, infected, or diseased. The consumption of fish, shellfish, sea plants, and other marine biota represent the most significant exposure risk to human health from toxic contaminants, pathogens, and biotoxins related to Puget Sound. Washington State Department of Health and Department of Ecology monitoring programs assist in identifying sources of pollutants, conduct water quality monitoring, assess the safety of beaches for recreational shellfish harvesting, and certify the safety of commercial shellfish operations. Monitoring information assists with making decisions about swimming beach closures, shellfish beach closures and fish advisories.

C.6.1 *Monitor harmful algae blooms and other conditions that can be harmful to human health.*

C.6.2 *Continue to inform the public about conditions and closures including fish advisories, swimming beach, and shellfish beach closures.*

C.6 Near-term Actions

1. Fund the swimming beach monitoring program.
2. Fund the shellfish and fish advisory monitoring programs.

Priority D: Work effectively and efficiently together as a coordinated system to ensure that activities and funding are focused on the most urgent and important problems facing the region.

Current Situation: The system we use to manage Puget Sound was not designed to protect the ecosystem as a whole. Our inventory of what is currently being done for Puget Sound indicates that immense numbers of people and agencies are working hard all across the region. Despite decades of work to “save” Puget Sound, the region’s capacity to work at an ecosystem scale is still low.

- Programs to protect and restore Puget Sound are fragmented, and until the Partnership was created, no single entity had the mission to protect and restore Puget Sound. After reviewing the current “tool box” for Puget Sound, we find that the region currently has separate programs for treating sewage and inspecting outfalls, regulating stormwater, measuring water quality, planning water supply, setting flows, directing land use, protecting habitat, recovering salmon, evaluating shoreline development, cleaning toxic waste, ensuring that shellfish is safe to consume, establishing parks, managing timber harvest, promoting tourism, and a host of other activities that impact Puget Sound. Within each of these programs are layers of standards, regulation, enforcement, technical assistance, and outreach activities. These programs are managed by separated agencies, boards and commissions as well as elected officials. Each of these tools to manage environmental protection and restoration were developed at different times for different purposes and they generally focus on individual problems.
- Many of the land use and permit decisions made in Puget Sound are narrowly focused and are detached from their full repercussions to land, water, species, and human health and well-being. The decision-making process is frequently adversarial—for example, state agencies and county governments are sued from both sides of an issue, sapping resources and eliminating the incentive to take bold action in addressing habitat loss and pollution problems in an integrated way. Additionally, scientific and technical information is often an afterthought rather than a consideration in the early stages of decision making.
- Consistent approaches to restoring and sustaining Puget Sound have not been integrated across various interests or jurisdictional boundaries for solving problems effectively. The transfer of knowledge and resources to implement actions is uneven, and implementation has not always been efficient, properly sequenced, or monitored and adapted.

Rationale for Action: Fundamental changes are needed in how we go about the business of protecting and rebuilding the environmental infrastructure of Puget Sound. We need to be able to prioritize actions and locations for investment, consistently implement plans and programs, and learn from our efforts and adjust actions when needed. Sufficient resources are needed to carry out this work and regulatory and legal barriers need to be addressed to allow implementation to proceed. Our level of investment into the health of the Puget Sound ecosystem is low relative to the benefits we derive from it.

The Action Agenda identifies a comprehensive strategy to ensure we work together as a coordinated system for the Puget Sound region, reflecting five primary objectives:

- *Conduct planning, implementation and decision-making in an integrated way and from an ecosystem perspective.*
- *Support, develop, and integrate climate change programs and adaptation strategies to improve implementation effectiveness and regional and local readiness for anticipated changes.*
- *Build and sustain long-term capacity of partners to effectively and efficiently implement the Action Agenda*
- *Build and sustain long-term capacity of partners to effectively and efficiently implement the Action Agenda*
- *Improve compliance with rules and regulations to increase the likelihood of achieving ecosystem outcomes.*

The Action Agenda funding strategy is explained in more detail in Section E and attached appendix.

D.1 Conduct planning, implementation and decision-making in an integrated way and from an ecosystem perspective consistent with the Action Agenda.

The Puget Sound Partnership will need to remove barriers and break the pattern of fragmentation that prevents people and institutions from working across boundaries and disciplines to plan and implement the Action Agenda in a coordinated way.

D.1.1 *Develop methods for and conduct future planning for biodiversity and species recovery, water quality, water supply and reuse, land use in an integrated way.* This includes coordinating planning efforts among and between federal, state, local and tribal governments.

D.1.2 *Integrate and coordinate implementation of existing Sound-wide and local plans and programs to improve efficiency and effectiveness in addressing Action Agenda priorities.* This will include, but is not limited to, the statewide Biodiversity Report, species recovery plans, nearshore needs assessment; local watershed-based salmon recovery plans, water quality plans, GMA comprehensive plans and programs, Shoreline Master Programs, marine resource plans; harvest management plans for salmonids and other fisheries, shellfish, and salmon hatchery plans; and capital facilities plans for state and local governments, ports, utilities and special purpose districts.

The coordination and integration should be consistent with the Action Agenda. Over the long-term, integrate this work with the results from the watershed assessments (see Section A). In the near-term while the watershed assessments are being prepared, continue and expand high level coordination to improve consistency and efficiency with the Action Agenda and Action Area priorities.

D.1.3 *Implement existing species recovery and biodiversity plans in a coordinated way while a more integrated planning approach is created.* Coordinate implementation of

ecosystem protection, freshwater flows, and water quality as identified in Sections A, B, and C.

- D.1.4 *Set future fishing and hunting harvest rates for species based on ecosystem needs, in addition to tribal treaty right, economic, and quality of life concerns.*
- D.1.5 *Set fishing and hunting harvest rates and communicate results in way that is transparent with readily available information.*
- D.1.6 *Manage hatcheries and other artificial propagation methods in a way that is consistent with the Action Agenda.*
- D.1.7 *Consider and support recommendations from the U.S. Commission on Ocean Policy's final report, "An Ocean Blueprint for the 21st Century," as they relate to strategies and actions that will support the recovery and long-term health of Puget Sound.*

D.1 Near-term Actions

1. Coordinate implementation of existing plans and programs that support the Action Agenda, and realign or discontinue plans and programs that conflict with the strategies and actions set forth in the Action Agenda. Develop regional guidance for this coordination, including ways to minimize work for time-limited local staff.
2. Develop and implement the Steelhead Recovery Plan, building on the Chinook Recovery Plan and integrating the Action Agenda priorities.
3. Use and augment existing species plans to create actionable workplans for imperiled species without existing or specified plans.
4. Continue the integration of habitat, harvest, and hatchery efforts in the salmon recovery plans and watershed three-year work plans.
5. Make the southern resident killer whale plan actionable with assignments and implementation timelines and implement the plan.
6. Implement the 2008 revision to the Pacific Salmon Treaty.
7. Implement the priority recommendations of the Hatchery Scientific Review Group to update state hatcheries to protect wild salmonid stocks.

D.2 Support, develop, and integrate climate change programs and adaptation strategies in the Action Agenda to improve implementation effectiveness and regional and local readiness for anticipated changes.

- D.2.1 *Integrate the recommendations of the Land Use and Climate Change Advisory Committee with priorities, steps, and initiatives consistent with the Action Agenda.*
- D.2.2 *Integrate the recommendations of the West Coast Governor's Agreement and Western Climate Initiative with other State and local climate change initiatives.*

- D.2.3 *Prepare local climate adaptation strategies based on the watershed assessment work outlined in Priority A.* This should include, but not be limited to, a vulnerability analysis of public infrastructure and utilities, sea level rise analysis, and development of innovative water storage projects.

D.2 Near-term Actions

1. Once the recommendations of the Climate Change Study Groups are available, integrate and coordinate them with the Action Agenda. Define and implement projects or policies that support both Puget Sound recovery and climate change priorities.

D.3 Build and sustain long-term capacity of partners to effectively and efficiently implement the Action Agenda.

The Legislature directed the Leadership Council to work closely with existing organizations and all levels of government to ensure that the Action Agenda and its implementation are scientifically sound, efficient, and achieve necessary results to accomplish recovery of Puget Sound to health by 2020. In addition, the Legislature directed that the Leadership Council shall support, engage, and foster collaboration among watershed groups to assist in the recovery of Puget Sound (RCW 90.71.230). The Partnership was authorized to provide assistance to watershed groups in those action areas that are developing and implementing programs included within the Action Agenda, and to improve coordination among the groups to improve and accelerate the implementation of the Action Agenda (RCW 90.71.260).

Much of the implementation of the Action Agenda will be accomplished by cities, counties, tribes, and collaborative groups that have formed and are working across interests and sectors in each action area of Puget Sound. Today, those agencies and local collaborative groups lack the organizational infrastructure and staffing capacity to engage in sustained local and regional efforts to assist in the recovery of Puget Sound. The actions chosen for this strategy are designed to respond to the Legislature's direction, as well as the needs of the local communities to create or strengthen local organizations to enable them to engage in a coordinated, collaborative effort to recover Puget Sound.

- D.3.1 *Increase and improve the ability of collaborative groups and processes to implement Action Agenda priorities, address conflicts and balance competing needs in a manner consistent with Puget Sound recovery.*

D.3.1.1 Continue and enhance the Puget Sound Partnership's role and ability to foster collaboration and convene key stakeholders to resolve conflicts, coordinate actions, and advocate for Action Agenda implementation. This includes continuing to work with the Leadership Council, Ecosystem Coordination Board, and Science Panel, as well as elected officials, community leaders, and tribes on implementation and refining the Action Agenda.

D.3.1.2 Clarify and align the roles and responsibilities of the numerous collaborative planning and implementation groups that were established

for salmon recovery, water supply, marine resources, and other issues. This includes clarifying the role of watershed stewards, liaisons and outreach staff.

- D.3.1.3 Provide sustained funding for local staff for the collaborative planning and implementation processes to facilitate implementation of the Action Agenda.
 - D.3.1.4 Provide adequate funding support for local salmon recovery and other collaborative processes (such as Regional Fishery Enhancement Groups, HB 2514 watershed planning groups and others), to implement their existing work plans until the roles and responsibilities are clarified.
 - D.3.1.5 Improve state and federal agency coordination with local collaborative planning efforts to avoid duplication of effort and improve efficiency.
 - D.3.1.6 Identify where technical expertise is needed to assist in the creation of strategies and actions to protect and restore ecosystem processes. Create mechanisms to share or loan staff to local groups or agencies. (Examples include loaned staff or executive programs, issue-specific think tanks or Centers for Excellence).
- D.3.2 *Increase the ability of cities, counties, and special districts to provide increased focus on implementation of Action Agenda priorities and improve collaboration.*
- D.3.3 *Engage state agencies to increase focus on implementation of Action Agenda priorities and improve collaboration as described in Priority E.2.*
- D.3.4 *Provide capacity for Puget Sound tribes to enable implementation of Action Agenda priorities.*
- D.3.5 *Engage the federal government to increase implementation of the Action Agenda.*
- D.3.5.1 The Puget Sound Federal Caucus, working with the Partnership, should develop a common federal workplan to identify and implement priority actions of the Action Agenda.
 - D.3.5.2 Increase internal federal coordination and communication to more effectively and efficiently fund and implement Action Agenda priorities. Examples include: a) coordinating restoration and protection grants and other funding, and b) improve government-to-government consultation with Puget Sound tribes on federal agency actions.
 - D.3.5.3 Coordinate federal actions and research with existing collaborative planning, implementation, resource management, recovery, and science efforts. Examples include, but are not limited to: a) USFWS collaboration with the Nisqually watershed salmon recovery group to restore the Nisqually estuary; b) USFWS and NOAA Fisheries should implement species recovery plans in collaboration with state, regional and local recovery planning groups; c) EPA should update federal/tribal NPDES permits to better monitor and control discharges and fund technical

support to implemented NPDES permit programs; and d) EPA should coordinate directly with the Partnership and local implementers on growth and protection solutions.

D.3.5.4 Model stewardship behavior. Examples include, but are not limited to: a) participate in the Federal Green Challenge and other comparable programs to reduce waste and energy and conserve water; b) minimize homeland security related impacts from operations, maintenance and readiness training activities on ecosystem processes, structures and functions, and on marine mammals; c) maintain, repair, and decommission roads and fish passage barriers on United State Forest Service and other federal lands; and d) identify and implement improvements in federal facility wastewater and stormwater treatment processes that specifically target nutrients and other pollutants of particular concern for Puget Sound.

D.3.5.5 Provide scientific support and data management on Action Agenda priorities in coordination and cooperation with the Partnership and other implementers.

D.3.5.6 Provide adequate federal funding for the Action Agenda. Work with the Congressional delegation to increase funding for implementation of the Action Agenda. Improve coordination of federal agencies and codify ongoing federal authorization for funding (see funding section E.2). Align federal agency budgets for base programs with priorities of the Action Agenda as described in Priorities A, B, and C.

D.3.6 *Expand landowner participation in the voluntary incentive programs described in Priorities A, B, and C, to improve the ability of private landowners to protect and restore ecosystem processes.*

D.3.7 *Grow and use the Foundation for Puget Sound (non-profit entity) to increase education and outreach efforts.*

D.3.8 *Work cooperatively with Canada on management and scientific investigations to increase collaborative problem solving and information sharing.*

D.3.8.1 Continue collaborative work on trans-boundary issues and projects.

D.3.8.2 Continue to co-host the Puget Sound Georgia Basin Research conference.

D.3 Near-term Actions

1. Integrate the work of the Puget Sound Nearshore Partnership (PSNRP), including the Estuary and Salmon Restoration Program, into the Puget Sound Partnership to improve efficiency, coordination and to avoid overlap and duplication of efforts.
2. Fund salmon recovery and other collaborative groups such as Regional Fisheries Enhancement Groups and 2514 watershed planning groups in the near-term to continue existing work.

3. Fund tribes to participate in the refinement and implementation of the Action Agenda, including salmon recovery plans.
4. Establish a Federal Puget Sound Office. Work with the Congressional delegation to pass federal legislation authorizing Puget Sound under the Great Waters Program, including establishing a federal Puget Sound Office to improve coordination of federal agencies and codify ongoing federal authorization for funding.
5. Consider the recommendations of the Partnership's Local Integration Task Force and implement appropriate follow up actions.
6. Support appropriations to federal agencies to implement specific priorities in the Action Agenda.
7. Continue and expand outreach to, and collaboration with, private and nongovernmental interests including the Puget Sound business caucus, environmental caucus, agricultural groups, shellfish growers, and private landowners in the implementation of the Action Agenda.

Note that the Partnership work is summarized in Action Agenda Question 4.

D.4 Reform the environmental regulatory system to protect habitat at an ecosystem scale.

The regulatory system that exists in Washington is fragmented. Regulations typically focus on specific issues, activities or sites, rather than the ecosystem as a whole. Regulatory authority has been vested in many different agencies at the federal, state, and local level which can lead to multiple layers of regulation and reviews, conflicting requirements, and an incoherent approach to protecting the entire spectrum of ecosystem process, structures, and functions. This fragmented system prevents us from adequately considering cumulative impacts on the ecosystem. Reforming the environmental regulatory system will provide more certainty that important ecosystem-forming processes remain intact, and should result in a more efficient, predictable permitting system for consumers.

- D.4.1 *Align federal, state, and local agency regulatory programs in Puget Sound to improve coordination, efficiency, and effectiveness of implementation.* This means identifying overlapping authority and conflicts, and amending, realigning, or eliminating programs, laws, and regulations that are not resulting in desired outcomes.
- D.4.1.1 Identify and implement actions to resolve overlapping and conflicting authorities by amending, realigning, or eliminating programs, laws, and regulations.
 - D.4.1.2 Identify and resolve overlaps and conflicts between environmental requirements and permit conditions. Work with local, state and federal partner agencies to resolve discrepancies in permit conditions and identify ways to resolve environmental permit overlaps and conflicts.
 - D.4.1.3 Investigate opportunities to develop and use new Clean Water Act general permits to promote development in urban areas by improving efficiency for review of development projects. This would include a) regional general

permits development projects with urban growth areas and b) programmatic general permits for projects that often require mitigation.

- D.4.1.4 Streamline and coordinate the environmental permit review process to improve the consistency and efficiency of decisions. Fund cities and counties to perform non-project, programmatic analyses under the State Environmental Policy Act (SEPA) on lands included in UGA expansions. Exempt project actions performed in areas where programmatic SEPA review has already been conducted from complying with SEPA, except in limited circumstances.
- D.4.1.5 Create and implement a streamlined permitting process for habitat restoration projects.
- D.4.1.6 Reconcile levee maintenance standards to address the ecosystem needs of providing habitat and protecting public safety. Collaborate with the Corps and other key stakeholders to develop modifications to standards or their application through the existing variance mechanism.

D.4.2 *Increase the success rate of mitigation projects to achieve, at a minimum, no-net loss of ecosystem function on a watershed scale.* Nationwide, studies have consistently found that wetland mitigation fails roughly 50% of the time due to factors like poor site selection and lack of compliance. Furthermore, there is dissatisfaction with the permit process itself, leading at times to complex and costly delays. Improving mitigation success rates can be a helpful way to achieve restoration goals. The Partnership participated in the Mitigation That Works Forum, and endorses the groups' recommendations to identify practical actions that can be taken to make all aspects of environmental mitigation work better.

- D.4.2.1 Reinforce the importance of avoiding and minimizing impacts to resources, particularly those with high ecological value and that are difficult to replace. Develop and implement updated avoidance and minimization guidance consistent with the ecosystem protection decision-making framework described in A.1.2.
- D.4.2.2 Establish and implement a watershed-based approach to mitigation. This includes, but is not limited to: a) clarifying policy priorities and expectations for using the watershed characterizations described in A.1.3, b) linking mitigation planning to existing restoration processes including salmon recovery and other watershed plans to align funding priorities for mitigation projects with locally prioritized acquisition and conservation efforts, c) maintaining a state-wide wetlands inventory, and d) developing guidance on how to make site-scale decisions about off-site mitigation.
- D.4.2.3 Support the development and piloting of market-based techniques and other innovative compensatory mitigation tools as alternatives to traditional mitigation approaches. This includes, but is not limited to: a) improving the wetland banking system through training and rule adoption, b) developing guidance on crediting for multi-resource conservation banks, c) developing a pilot in-lieu-fee mitigation program and expanding it if successful, and d) developing clear guidance for advanced mitigation.

D.4.2.4 Improve effectiveness monitoring programs for mitigation sites. This includes, but is not limited to, standardizing monitoring protocols for measuring effectiveness and supporting local governments with training and assistance.

D.4 Near-term Actions

1. Conduct an institutional analysis of local, state and federal agencies with regulatory authority over upland terrestrial and aquatic habitats, species protection, and water quality. Provide recommendations to implement actions to resolve overlapping and conflicting authorities by amending, realigning, or eliminating programs, laws, and regulations consistent with the Puget Sound ecosystem decision-making framework.
2. Evaluate the effectiveness of the Clark County pilot of the Office of Regulatory Assistance's iPermit program. Adjust the program as needed. Identify a Puget Sound county and one or more cities in the same watershed in which to further pilot the iPermit program. This will involve standardizing best management practices related to shoreline development and customizing the program to meet local requirements. If successful, implement in one additional county and associated cities by the end of the biennium. The watershed selected for this pilot should be prioritized for watershed characterization work referenced in A.1.3 and for initial implementation of the in-lieu-fee program referenced in D.4.2.3.
3. Convene a process for making recommendations to the Partnership about streamlining permitting processes for habitat restoration projects. Include the following regulatory programs in the review process: building construction permits, clearing and grading regulations, Hydraulic Permit Approval (HPA) permits, Ecology's Clean Water Act, Section 402 and Section 401 permits, and Army Corps of Engineers' Clean Water Act Section 404 permits.
4. Convene a process with Corps, NMFS, USFWS, jurisdictions responsible for levee maintenance, and stakeholders to identify and describe conflicts between levee maintenance standards and healthy habitat. This meeting should result in recommendations to the Corps to develop/review potential modifications to levee maintenance standards or the use of the existing variance mechanism.
5. Support funding and legislation to allow state loans to local governments to conduct environmental reviews under SEPA at the planning or programmatic level.
6. Develop, fund, and implement a pilot in-lieu-fee mitigation program in one to three Puget Sound watersheds. The program should be implemented at the watershed scale and involve the restoration of off-site, priority habitat areas as mitigation for multiple development impacts. Participation in the program should be optional and should not compete with existing mitigation banks or other in-lieu-fee programs. It should include provisions for long-term maintenance and monitoring. The program would be pre-capitalized with publicly-funded restoration projects.

D.5 Improve compliance with rules and regulations to increase the likelihood of achieving ecosystem outcomes.

Business, environmental groups, and most all other stakeholders agree that existing environmental regulations should be fully implemented. Full and equal enforcement of

existing regulations throughout the region creates a level playing field for developers and predictable results for other stakeholders. In-the-field compliance inspectors play a valuable role in identifying problems, educating land-owners and contractors about compliance issues, assisting with resolutions of compliance problems before environmental damage occurs, and bringing enforcement actions when necessary to achieve compliance

In order to be more strategic over time, the performance of our regulatory systems will need to be assessed by monitoring and reporting on (a) the effectiveness of the regulations themselves in achieving the protection sought; (b) the effectiveness of the institutions in implementing the regulations through the permitting process; and (c) the rate of compliance with the permits issued both during the permitted activity, and after the property has been sold to third parties that were not part of the permitting process.

D.5.1 *Integrate environmental regulation and permit field compliance across federal, state, and local jurisdictions to improve efficiency of implementation and effectiveness of achieving environmental outcomes.*

D.5.1.1 An integrated field compliance monitoring program should include land use, shoreline, water quality, water use, hazardous materials, and other environmental permit related activities. Ultimately, field inspectors should be located in each watershed and be tasked with assisting landowners, builders, and contractors with understanding regulatory requirements, strategizing optimal environmental protection approaches, and inspection to ensure compliance with a full spectrum of environmental protection regulations.

D.5.2 *Provide financial, technical, and regulatory mechanisms to improve environmental permit compliance inspection and enforcement in a coordinated way.*

D.5.2.1 Increase inspections by cities and counties throughout Puget Sound, when consistent with the integrated compliance program, to ensure environmental regulations are being implemented and enforced.

D.5.2.2 Increase inspections by state agencies throughout Puget Sound, when consistent with the integrated compliance program, to ensure environmental regulations are being implemented and enforced.

D.5.2.3 Where needed, strengthen enforcement authority of existing regulations (e.g., Hydraulic Permit Approval program).

D.5.3 *Improve customer service when working with private landowners and businesses to improve effectiveness and compliance.* Public agencies need to provide excellent and transparent customer service to landowners, home owners and businesses so that people understand why certain requirements are in place. This need ranges from elected officials to the permit counter and inspectors.

D.5.3.1 Train state and local government staff with regulatory responsibilities in customer service.

D.5.4 *Provide training to architects, engineers, design professionals, land developers and contractors working in marine and freshwater nearshore areas on desired environmental outcomes, best management practices and rules.*

D.5.4.1 Support the development of new programs or expand existing programs of the Association of General Contractors, Master Builders Association and other groups or professional associations in training their members to achieve the desired environmental outcomes for Puget Sound.

D.5 Near-term Actions

1. Convene a process with federal, state and local jurisdictions to develop an ideal compliance assistance and inspection program that would leverage existing fragmented inspection programs into an integrated program without co-opting the regulatory and enforcement authority of any jurisdiction. Such a program may involve compliance assistance agents who identify problems in the field, provide compliance assistance, and if necessary, report violations to compliance inspectors at the agencies with jurisdiction for enforcement action.
2. Provide additional state compliance inspectors to ensure that business producing hazardous waste are complying with regulations.
3. Support state water quality fee revisions and short term funding to maintain existing and if possible enhance additional compliance staff at Department of Ecology.
4. Provide additional staff at the Department of Ecology to conduct field visits to improve compliance with shoreline and aquatic regulations.
5. Develop and implement a training program for designers and contractors who work in nearshore areas. Work with Association of General Contractors, Master Builders, and other professional organizations in the Puget Sound region to develop and implement training programs to educate designers and contractors who regularly work adjacent to or over waters of the state. Consider partnerships with existing university and community college extension programs.

Priority E: Build and implement the management system to support the implementation and continual improvement of the Action Agenda.

Current Situation: The Partnership's charge is to analyze, study, and solve problems at the ecosystem level. Experts agree that in order to effectively implement systematic solutions to ecosystem problems, efficient and effective implementation is essential. Such a system for implementation would include several key elements:

- A **performance management system** that includes adaptive management, coordinated monitoring, accountability for action, and coordinated data management.
- **Sufficient, stable funding** focused on priority actions that result in increased efficiency and effectiveness.
- A focused **scientific program** with priorities for research, appropriate measures to improve understanding of the ecosystem and the effectiveness of our actions, and clear pathways for informing decision making.
- Sustained, coordinated efforts for **communication, outreach, and education** to increase public awareness and encourage individual stewardship.

A management system inclusive of each of these elements will allow the Partnership to develop more strategic sets of actions. It will support robust adaptive management that will allow us to learn to work as a system as we grow and work to protect and restore Puget Sound.

Rationale for Action: To be effective, the Puget Sound Partnership must be able to present a compelling story about the state of Puget Sound, demonstrate progress made toward recovery goals, responsibly steward public funds, and ensure that all actions are supported by strong science. Demonstrating progress depends upon timely access to accurate information and data relating to all dimensions of the Action Agenda, from indicators and funding to locations of activities or of experts active in the field. The Partnership is organizing the multiple components of the Action Agenda into a unified management framework and pursuing a coherent data management strategy that supports the management system. The Partnership will rely heavily upon implementers throughout the region to align their work and reporting with the systems and standards established by the Partnership.

The Action Agenda identifies a comprehensive strategy for implementation that reflecting four primary objectives:

- *Build and use a performance management system to improve accountability for ecosystem outcomes, on-the-ground results, and implementation of actions.*
- *Provide sufficient, stable funding and ensure funding is focused on priority actions to increase efficiency and effectiveness.*
- *Continually improve the scientific basis for management actions in the Puget Sound through a comprehensive and prioritized regional science program.*
- *Increase and sustain coordinated efforts for communications, outreach and education to increase public awareness and encourage individual stewardship.*

E.1 Build and use a performance management system to improve accountability for ecosystem outcomes, on-the-ground results, and implementation of actions.

Performance management includes adaptive management, ecosystem monitoring, accountability for action, and information management. Adaptive management is currently not an organizing or central feature of most of the region's natural resource management efforts. While natural resource managers do adapt to numerous cues to be more effective, most implementers lack a formal way to adjust their actions. Formalized, rigorous and transparent adaptive management is a prominent element of a few key management programs in the region, including the Puget Sound Salmon Recovery Plan, the Forests and Fish law, and the Puget Sound Nearshore Partnership. There is a range of maturity among these programs, and in spite of these important steps forward Puget Sound still lacks an adaptive management program that works all the way from monitoring to evaluation to altering management approaches or strategies.

The Partnership has adopted a Plan/Do/Assess/Adapt framework for integrating science into management decisions and in aligning funding priorities with priorities for action. The framework will provide transparency about how resources are allocated, the effectiveness of implementers and the actions they take, and the progress against ecosystem goals. Equipped with this information, the Partnership can communicate effectively with the public and stakeholders to sustain support for the evolving Action Agenda.

E.1.1 *Establish clear processes through which performance and results will be assessed and adaptive actions will be identified.* The legislation creating the Puget Sound Partnership requires a reevaluation of the Action Agenda every two years, “using an adaptive management process informed by tracking actions and monitoring results.” The Partnership’s challenge is to find a way to inform the decision-making process with relevant information from public outreach, ecosystem monitoring, other scientific investigations, accountability, monitoring, and finance data related to Action Agenda implementation.

E.1.1.1 Clarify and refine the decision-making roles of the Leadership Council, Ecosystem Coordination Board, Science Panel, and staff.

E.1.1.2 Continue to integrate the salmon recovery program elements into the broader ecosystem effort, including clarifying the role of the Salmon Recovery Council.

E.1.1.3 Establish guidelines that direct resources to Action Agenda priorities.

E.1.2 *Develop and implement an accountability system to track the progress of implementation of actions identified in the Action Agenda.* The Puget Sound region has lacked an overall way to account for funds spent, actions taken, and progress achieved at the ecosystem scale. Some accountability mechanisms for localized ecosystem protection or restoration outcomes do exist, such as with relationships between regulatory agencies and entities working to comply with specific mandates and relationships between project sponsors and funders. However, the system has relied heavily on self-report and the consequences of not reporting, not meeting targets, or not fulfilling commitments are minimal and insufficient to impact behavior or alter funding. In addition, funding cannot be directed to the most effective actions because there is a lack of information to do a comparative analysis. Finally, many

actions lack a single lead that can be held accountable for progress. The Partnership will track, evaluate, analyze and report on progress toward implementation of projects critical for meeting ecosystem goals.

- E.1.2.1 Establish a system to track the funds from state, federal, local, tribal and other sources spent on actions intended to benefit the Puget Sound ecosystem.
- E.1.2.2 For all actions, develop a detailed budget, a scope of work, an action lead, a schedule with milestones, and a performance measure.
- E.1.2.3 Require action leads to account for dollars spent, actions accomplished, and outcomes achieved during each reporting period beginning in 2009.

E.1.3 *Develop and implement an information management system to support ecosystem management decision making.* The data and information needed to inform ecosystem management is housed in different agencies and offices and in different information systems. Integration of all types of relevant financial, scientific, monitoring, spatial, management and institutional data will be essential to supporting implementation of the Action Agenda.

- E.1.3.1 Develop a comprehensive data management strategy to support implementation of the Action Agenda.
- E.1.3.2 Implement a distributed data and information exchange system that can be contributed to and accessed by scientists, implementers, policy makers and other interests.

E.1 Near-term Actions

1. Identify and confirm the information needed to evaluate progress, as well as the roles, responsibilities and timelines related to making those decisions.
2. Continue to engage the Leadership Council, Ecosystem Coordination Board, Science Panel, and Salmon Recovery Council to advise the Partnership.
3. Pilot a process that incorporates scientific research (including status and trends monitoring and effectiveness studies), accountability tracking data, and public input to inform the development and implementation of the Action Agenda.
4. Develop a schedule and process to update the near-term actions and revise the Action Agenda strategies as necessary.
5. Submit recommendations to the Legislature to better align funding and resources with the Action Agenda in the November 2009 State of the Sound report.
6. Finalize the salmon recovery adaptive management plan as required by NOAA.
7. Build accountability and reporting system to track the Action Agenda and salmon recovery activities.
8. Develop a system to identify and track actions that are inconsistent with the Action Agenda.
9. Work with action leads to develop budgets and performance measures for all actions. Integrate into an adaptive management system.
10. Negotiate performance agreements with leads of actions related to salmon recovery plans, state agency work programs, and projects funded by state grant or loan programs.

11. Develop and implement a Partner Program as specified in the legislation that created the agency.
12. Develop an activity integration tracking system support the Action Agenda accountability system.
13. Prioritize data for sharing and begin placing information on the U.S. EPA Data Exchange.
14. Identify credible sources that provide key information for project management and adaptive management. Make data accessible to the Partnership, as well as regional scientists and the public.

Note that ecological monitoring actions are addressed under E.3.

E.2 Provide sufficient, stable funding and ensure funding is focused on priority actions to increase efficiency and effectiveness.

Although significant expenditures have been made toward the protection and clean up of Puget Sound, implementation of the Action Agenda will require finding ways to spend existing dollars more effectively as well as raise new sources of funding. Many current sources are not aligned with Action Agenda priorities. Spending decisions on Puget Sound have been based upon the decisions of individual agencies and governments without the guidance of a long-term investment strategy for the Sound. Existing grant and loan programs for infrastructure and capital improvement receive requests for funding that are substantially greater than the amount available. The scale of the Action Agenda will require finding new sources to support clean up and recovery.

Over the past year, the Partnership has taken several steps to address the complex issue of funding long-term restoration and protection of Puget Sound. This work has included evaluating existing spending on conservation and recovery, identifying strategies to raise additional funding from conventional and innovative sources, securing additional state and federal funding for the near term, and for the first time, evaluating and aligning state agency budgets with Action Agenda priorities. Four overarching funding strategies are identified and summarized below, and are presented in more detail in the draft funding strategy.

E.2.1 *Focus existing Puget Sound spending on Action Agenda priorities to increase efficiency.* Funds currently spent on Puget Sound conservation and recovery are raised from numerous sources, each of which has its own legal restrictions, fund constraints, administrators, policies and priorities. The effectiveness of this spending is limited by this decentralized, uncoordinated approach. These sources should be integrated and coordinated to address Action Agenda priorities and maximize benefits to Puget Sound cleanup and recovery goals.

E.2.1.1 Align federal, state and local funding with Action Agenda priorities. The authorizing statutes for the Partnership prohibit actions by state agencies that are inconsistent with the Action Agenda. Even further, the Partnership will work with federal, state and local agencies to orient funding directed at Puget Sound to identified Action Agenda priorities.

- E.2.1.2 Conduct targeted procurement toward desired outcomes rather than broad grant solicitations. Targeted procurement will require restructuring project solicitations to describe outcomes needed to achieve Action Agenda priorities, such as a specific decrease in nitrogen loading or a specific increase in oak prairie habitat, and solicit proposals for actions that achieve these outcomes. Business, nonprofit, tribal and agency applicants would be free to propose a variety of actions and the administering agency could select those with greater benefits and lower costs.

- E.2.2 *Provide additional funding to increase our ability to address priority prevention, restoration and cleanup needs.* Existing funding, even if realigned to be more effective, is not likely to be sufficient over the long term to meet Action Agenda goals. The Puget Sound region will need additional dedicated revenue sources. To begin to address this issue, the Partnership has evaluated sources of additional funding and the laws, policies and practices that determine how they are raised and spent, and identified the amount of revenue that each option could produce.
 - E.2.2.1 Create a dedicated regional source of funding. This strategy may entail creation of a regional district with the ability to raise money with voter approval.
 - E.2.2.2 Create new and/or expand existing infrastructure loan programs for public infrastructure projects (e.g., sewers, stormwater retrofits, water quality facilities and potentially natural systems).

- E.2.3 *Use innovative funding methods, including market-based approaches, to increase diversity of funding mechanisms and to engage private sector interests.* In addition to new revenue sources, market-based mechanisms also hold the potential to help achieve Action Agenda goals. Existing regulatory frameworks do little to encourage market-driven conservation. More attention is needed on methods to harness the power of market approaches to produce conservation outcomes. Over the past year, the Partnership has identified banking and trading approaches to mitigation and water quality compliance that simplify permitting yet achieve higher environmental performance. This included analyzing ecosystem service markets in the United States and applications for Puget Sound, particularly water quality trading.
 - E.2.3.1 Implement an in-lieu-fee mitigation program for Puget Sound.
 - E.2.3.2 Implement a pilot water quality credit and trading system to improve compliance by allowing a wide range of treatment and source control solutions.
 - E.2.3.3 Implement additional tools to set up ecosystem services markets. Expanding the use of ecosystem markets will require an evaluation of early pilot projects around in-lieu-fee mitigation and water quality trading. If these pilots are deemed successful, work would need to be done to develop methods for evaluating credits, establishing an institutional structure for trading, and establishing trading rules.

Note that some of the actions below are also in Priority D. They are restated here because they have the potential to generate additional revenue for implementation.

E.2 Near-term Actions

1. For state agency budgets, review and provide input on state agency budget proposals for the 2009-11 and 2011-13 biennial budgets.
2. For state agency grant programs, advocate for changes to policies and priorities of the Public Works Trust Fund, Salmon Recovery Funding Board, Washington Wildlife and Recreation Program and other state grant and loan programs, to encourage consistency with Action Agenda goals.
3. For grant requests to the state, per RCW 90.71.340, review grant and loan proposals for state funds to require consistency with Action Agenda goals.
4. For federal and local budgets, to the extent possible, review and comment to encourage alignment with the Action Agenda.
5. Implement targeted procurement on a pilot basis for a portion of the Puget Sound Acquisition and Restoration program that is focused on salmon recovery.
6. Develop targeted procurement for a portion of the largest state environmental grant programs, including the Salmon Recovery Funding Board, Washington Wildlife and Recreation Program, Aquatic Lands Enhancement Account and Conservation Commission.
7. Use Model Toxics Control Account fund balance to implement priority actions for the 2009-11 biennium as a bridge for a longer term dedicated funding source.
8. Continue to evaluate potential state funding sources in greater detail, including full legal and fiscal analysis, and prepare proposals for enactment of revenue sources in the 2010 or 2011 legislative sessions.
9. Pursue state legislation authorizing the creation of a regional improvement district.
10. Establish financial incentives for use of existing Department of Ecology and Public Works Board grant and loan programs to address Action Agenda priorities.
11. Develop financial incentives and provide financial and technical assistance to local governments to develop high priority projects in the Action Agenda for funding with existing Department of Ecology and the Public Works Board programs.
12. As part of implementing the Mitigation that Works recommendations (D.4.2), develop agreements with the U.S. Army Corps of Engineers, the state Department of Ecology and other relevant permitting agencies by 2010 on the design of a regional in-lieu-fee program.
13. Identify and implement one or more pilot projects to demonstrate the application of the in-lieu-fee program. Invest in several restoration projects that can provide initial credits for use in the in-lieu-fee program.
14. Evaluate use of a water quality trading program to address dissolved oxygen issues in south Puget Sound.
15. Develop a framework policy for permit-specific trading in the Puget Sound region. Investigate the use of trading policies and practices to address urban water quality improvements, including investments in urban combined sewer overflow projects.

16. Develop proposals for the 2011-13 Biennium to improve or expand the use of ecosystem markets.

E.3 Continually improve the scientific basis for management actions in the Puget Sound through a comprehensive and prioritized regional science program.

A commitment to science-based ecosystem recovery and adaptive management will require timely, focused, and credible information about ecosystem conditions, factors affecting the ecosystem and human benefits, and the effects of management actions. Existing scientific capacities vary in breadth and depth across Puget Sound governmental and non-governmental entities. In general, most of the existing capacity, even where it is focused and effective in addressing discretely defined technical questions, would be more valuable within the context of a coordinated regional science program. This program will need to be supplemented and leveraged with investments in science to ensure that the Partnership has the information to evaluate progress toward goals and continually improve the scientific understanding of ecosystem recovery.

The Partnership's Science Panel has prepared a draft Biennial Science Work Plan for 2009-11. This plan begins to layout out the components of long-term science strategy and describes priority analyses, data collection, and synthesis and integration efforts to be conducted to meet the needs of the Partnership. These projects will contribute to improving the scientific understanding of the Puget Sound ecosystem and to adaptation of Action Agenda implementation strategies. This plan also describes steps to improve and extend the Partnership's and region's capacities for monitoring, modeling, research, information management, and science education and outreach. The strategies below summarize the major elements of the draft Biennial Science Work Plan.

- E.3.1 *Develop and oversee a coordinated monitoring program.* To understand the ecosystem and to adapt management activities through time, the Partnership needs information about (a) status and trends of ecosystem conditions, impacts to important ecosystem goods and services, and factors that affect ecosystem conditions; (b) effectiveness of strategies, programs and projects; and (c) cause and effect linkages for issues involving high risks and difficult tradeoffs. Substantial monitoring programs are currently underway in the Puget Sound region, but these programs are neither well coordinated nor targeted to addressing the needs of the Puget Sound Partnership.

The Partnership will use monitoring of ecosystem indicators and of cause-and-effect relationships to evaluate progress towards ecosystem recovery. Ongoing status and trends monitoring provide some of these indicators; new monitoring capacity may be required to provide information for additional indicators, especially indicators of pollution loading and other factors that affect ecosystem condition.

Investigations of whether management programs and projects achieve their expected outcomes will allow the Partnership to evaluate strategies and actions and to find out whether the reasons for selecting strategies and actions appear to be

correct or should be adjusted. Existing capacity provides some information about program and project effectiveness. New monitoring and research capacity most likely will be required to provide information about programs and projects that are not currently evaluated.

E.3.1.1 Align regional monitoring efforts with the goals, outcomes, strategies and actions outlined in the Action Agenda. Evaluate existing monitoring efforts to identify opportunities to better meet Action Agenda needs by building from or adapting existing efforts or adding new efforts.

E.3.1.2 Conduct status and trend, effectiveness, and cause-and-effect monitoring to provide information about the state of the Sound and the effects of management actions.

E.3.1.3 Evaluate agency science programs and initiatives to recommend adaptations and investments that would best meet Action Agenda and Partnership needs.

E.3.2 *Conduct priority investigations.* Investigations about how the Puget Sound ecosystem works, what threatens ecosystem recovery, and how the ecosystem might respond to management actions can provide information to improve the science basis for the Partnership's work. The Biennial Science Work Plan describes priority investigations for 2009-11 and capacities needed to ensure that investigations would provide credible information and address key needs.

As part of the development of the Biennial Science Work Plan, the Science Panel reviewed inventories of recent and ongoing science projects and recommendations for studies relevant to recovery of the Puget Sound ecosystem. These inventories, presented as an appendix to the Biennial Science Work Plan, identify nearly 300 studies that were completed in the past five years and more than 450 recommendations for scientific investigations. Building from this material and an understanding of the strategic priorities and guiding ecological principles of the Partnership, the Science Panel identified top priority investigations for 2009-11.

E.3.2.1 Analyze existing and evolving information with best available tools. Using the integrated ecosystem assessment framework, conduct modeling studies and other analyses to identify ecosystem indicators and thresholds, assess threats, and evaluate potential management strategies.

E.3.2.2 Conduct focused scientific investigations to collect information about how the ecosystem functions and the effectiveness of management actions.

E.3.3 *Synthesize results and communicate science findings.* Integrate and synthesize findings from scientific investigations to communicate a scientific understanding of the Puget Sound ecosystem to the Partnership, its stakeholders, and citizens. Successfully completing this work will require coordination among participating groups, sharing of information, and interpreting results and findings in a collaborative manner. The Partnership will produce a State of the Sound report to communicate with stakeholders and the public about progress toward and uncertainties about

ecosystem recovery. In addition, the Partnership will produce a Puget Sound science update, a compendium of scientific findings related to ecosystem recovery. The Partnership will produce these reports on a regular schedule. Findings and synthesis products should be peer-reviewed and the technical data and information on which they are based should be publicly available.

- E.3.3.1 Assemble and synthesize status and trends information on ecosystem indicators and findings from effectiveness and cause-and-effect monitoring studies.
 - E.3.3.2 Prepare science portions of State of the Sound reports, including findings from monitoring and assessment program and Science Panel comments on implementation of the Action Agenda.
 - E. 3.3.3 Prepare Puget Sound science update reports to synthesize findings.
- E.3.4 *Build and sustain regional capacity to conduct science.* Integrated, focused, and balanced capacities for monitoring, modeling, research, and data management will ensure that the Partnership obtains the information it needs to continually improve the science basis for ecosystem recovery. The Partnership will develop processes and organization to ensure the integrity of the science program and to engage the regional science community in this program.
- E.3.4.1 Develop and sustain capacities for coordinated ecosystem monitoring and applied research, modeling of current and future ecosystem impacts, and research of emerging issues.
 - E.3.4.2 Support science education, training, and outreach.
 - E.3.4.3 Develop and sustain data management approach.
 - E.3.4.4 Develop and follow processes to ensure the integrity of science contributions to ecosystem recovery, including approaches to awarding funds for scientific investigation, peer review of materials forming the basis for Partnership decisions, external program peer review, and defining key research needs.
 - E.3.4.5 Organize and coordinate regional science capacities to align with needs of the Action Agenda and Puget Sound Partnership. This would include a) convening working groups (organized around topics, strategies, or geographic areas) to provide avenues for scientific community participation in the science program; b) coordinating with other science advisory groups, including Puget Sound Salmon Recovery's regional implementation technical team and the Puget Sound Nearshore Partnership's nearshore science team; and c) reviewing agency science programs and proposals and recommending adjustments and investments to align agency contributions to the Partnership's needs.

E.3 Near-term Actions

1. Fund ongoing monitoring programs to provide status and trend and effectiveness information to inform State of the Sound reporting and other synthesis.

2. Conduct a regional transition to coordinated ecosystem monitoring program. This effort would include a) completing an analysis of ongoing programs in relationship to Action Agenda goals, outcomes, strategies, and actions and b) working with regional experts and stakeholders (e.g., through the Puget Sound Monitoring Consortium) to recommend alignment of monitoring work with the Action Agenda. This would include study designs and coordinated logistics for an enhanced program for monitoring status and trends, program and project effectiveness, and cause-and-effect relationships.
3. Convene the stormwater monitoring work group as a continuing project of the Puget Sound Monitoring Consortium to develop a coordinated regional stormwater monitoring program that includes, but is not limited to, effectiveness of techniques and outcomes.
4. Complete development of the Puget Sound Salmon Recovery Monitoring and Adaptive Management Program. Implement priority features of this program.
5. Evaluate state and federal agency science programs and proposal for new initiatives. Recommend adaptations to programs and proposals to optimize agency contributions to Action Agenda and Partnership needs. Advocate for agency programs and proposals that address Partnership needs.
6. Refine ecosystem indicators through a project to better identify and develop new indicators and develop indices that combine multiple indicators. This work will also help to refine the coordinated monitoring program and facilitate communication of progress toward ecosystem recovery.
7. Coordinate various integrated ecosystem assessment efforts for the Puget Sound ecosystem, including efforts by NOAA's Northwest Fisheries Science Center, Washington Biodiversity Council, and Puget Sound Nearshore Partnership.
8. Explore historical data and develop projections of future scenarios, for some key issues, to examine how ecosystem conditions and threats change. By describing historic conditions and projecting future conditions, scientists can improve understanding of how the ecosystem functions and how it might be affected by management actions.
9. Conduct spatial analysis to evaluate current ecosystem status and the primary threats and drivers affecting desired ecosystem outcomes. This analysis should allow evaluation of the relative importance of threats and drivers and of the geographic distribution of threats and impacts across the ecosystem.
10. Design and implement studies to collect new information about a) the effects of a nearshore restoration actions, b) watershed-wide loading and effects of runoff, c) stressors affecting forage fish and pelagic food webs, and d) ecosystem services and socioeconomic indicators. These studies will demonstrate the benefits of studying management actions and provide important and urgently needed results to questions about how the ecosystem functions and how it is affected by management actions.
11. Assemble and synthesize findings in mid-2009 to describe ecosystem conditions and threats for 2009 State of the Sound. Conduct peer review of science contributions to 2009 State of the Sound
12. Commission lead authors for various sections of science update report and encourage peer contributions and open peer review.

13. Publish 2010 Puget Sound Science Update to provide best available answers about how the ecosystem works, how it has changed over time, and how it is affected by management actions.
14. Develop long-term plan for future scenario modeling, describing the roles and responsibilities of collaborators in carrying this work forward.
15. Identify research priorities, including exploration of emerging trends, and recommend topics for Partnership sponsored science in 2011-13.
16. Create a framework for scientific experts to train and advise education and outreach specialists and networks.
17. Pursue establishment of a Puget Sound science intern and fellowship program.
18. Develop a process for soliciting science projects via competitive requests for proposals.
19. Develop processes for conducting peer review of materials that form the science basis for Partnership decisions.
20. Establish a process for external peer review of the Partnership's science program.
21. Develop working groups to support implementation of the Partnership's science program.
22. Evaluate state and federal agency science programs and initiatives and understand and communicate how programs and initiatives contribute to Partnership science program needs. Recommend ways to adapt agency programs and initiatives to better align with Partnership interests.

E.4 Increase and sustain coordinated efforts for communications, outreach and education to increase public awareness and encourage individual stewardship.

Public opinion research confirms that while a majority of residents highly value Puget Sound, current awareness and concern about its decline is low. For citizens to understand their stake in protecting and cleaning up the Sound and the opportunities to help, awareness of the problem must substantially increase and be maintained over time. Greater awareness, along with citizen support for policy and behavioral changes, is critical for successful recovery and protection of Puget Sound.

E.4.1 Implement a long-term, highly visible communications effort to increase public understanding of the threats facing Puget Sound and engagement in reducing personal impact. The Partnership communication strategy is designed to a) raise broad public awareness regarding the health of Puget Sound, b) turn public awareness into individual citizen actions and behavior change, c) build and sustain a long-term coalition of diverse interests working together to protect and restore Puget Sound, and d) focus messages on priority solutions.

E.4.1.1 Create focused communications messages for audiences.

E.4.1.2 Coordinate communication efforts and behavior change messages Sound-wide.

E.4.1.3 Deliver communications through a variety of mediums including, but not limited to direct communications, presentations to associations and civic groups, news media, paid media, and grassroots outreach.

E.4.2 *Expand and sustain local volunteer, steward and educators' programs focused on Action Agenda priorities to increase participation rates and improve efficiency of communications efforts.* Volunteering is one of the most effective ways for the public to engage directly in protecting and restoring Puget Sound. Thousands of volunteers are already working hard, but their efforts and programs are not well coordinated. A better-coordinated approach will be necessary to harness existing and add new volunteer energy in Puget Sound.

E.4.2.1 Use the existing Education, Communication and Outreach Network (EcoNet) to continue to coordinate education, outreach and volunteer efforts.

E.4.2.2 Use the Education Working Group of federal, state and local agency representatives to coordinate related policy and grant efforts.

E.4.2.3 Provide an easy-to-access, coordinated network of local volunteer activities to Puget Sound residents. The network will include opportunities for restoration, "citizen science", and outreach.

E.4.2.4 Provide coordinated technical assistance and training to volunteer efforts focused on consistent messages and up-to-date scientific and technical information as well as scientific protocols.

E.4.3 *Strengthen K-12 environmental programs to improve long-term understanding of Puget Sound issues and solutions.* This effort will build on and tie into existing efforts. Outdoor learning centers and other educational opportunities can help increase project-based learning and community partnerships, and help ensure long-term stewardship and support for Puget Sound protection and restoration by future generations.

E.4.3.1 Provide a "Meaningful Watershed Education Experience" to all primary, middle and high school students in Puget Sound. Teacher training, project-based learning, and outreach will be needed.

E.4.3.2 Include Puget Sound-related environmental, social and economic issues in curriculum.

E.4 Near-term Actions

1. Research and develop targeted communications messages for audiences.
2. Expand efforts to improve coordination of communication efforts and behavior change messages across government agencies and interest groups, such as STORM.
3. Deliver regular communications to a variety of audiences and through a variety of mediums.
4. Conduct a pilot program with the Washington state ferries to educated riders about the condition of Puget Sound and actions they can take to help.
5. Develop a Puget Sound Partnership volunteer and outreach grant to sustain and expand effective and successful volunteer opportunities.

6. Increase trainings for education and outreach providers in up-to-date tools and techniques such as community-based social marketing, use of new technologies, and program evaluation and assessment.
7. Develop and implement a coordinated citizen science program. This will include cataloging and analyzing existing efforts, coordinating existing efforts and replicating those that are effective, providing technical and scientific assistance to community members to conduct local monitoring and assessment that support Action Agenda priorities.
8. Implement the WSU Beach Watcher Sustainability Plan to sustain current programs and expand the effort to all 12 Puget Sound counties.
9. Coordinate with the Pacific Northwest NOAA B-WET grant provider to increase the “Meaningful Watershed Education Experience” model for students in Puget Sound.
10. Promote the use of and make Puget Sound-related curriculum widely available to all teachers and schools.

Action area profiles

The legislation that created the Partnership established seven geographic action areas around the Sound to address problems specific to those areas as they relate to the ecosystem as a whole. Following the structure of the Action Agenda questions, a profile for each action area was created to reflect the geographic and social makeup of the action area and the unique challenges it faces.

The eight action area profile tables identify unique ecosystem benefits and contributions, local threats to ecosystem health, and the actions that move the region, as well as local areas, towards a healthy Puget Sound. The tables are not an exhaustive list of all threats or actions possible in an action area, but instead highlight key issues and actions organized by the Action Agenda strategic priorities. It is important to note that the level of detail about problems and concerns varies greatly around Puget Sound, and in most instances, we are not yet able to compare data across Puget Sound. The profiles reflect local, documented knowledge. The action priorities, for the most part, affirm activities already underway to tackle problems in each action area. Over-time, the action area priorities will need to be refined as we better understand the most important actions within and between local areas.

It is important to view the profiles in relation to the overall Action Agenda as well as one another, as they are intended to nest under the Sound-wide priorities. The individual action area tables may not reflect overarching needs that action areas have identified as important, such as the need for financial and technical assistance with permit compliance, additional ecological monitoring, regional funding, and the rescue tug. Actions that need to be addressed regionally are in the main body of the Action Agenda Question 3 and summarized in the Sound-wide table that precedes individual tables.

How were the profiles developed?

Over the past eleven months, the Partnership has worked with regional scientists, policy experts, and concerned citizens in each action area to develop tailored solutions to their unique problems. We hosted 23 community meetings to discuss the status of Puget Sound's health and understand key issues in each action area tie those key threats to local actions. These discussions with the public have been supplemented by hard work by Partnership liaison staff, Ecosystem Coordination Board representatives, and Leadership Council members who have been working with core members of their action area to refine. In addition, we used the inventory of actions conducted during the development of the Action Agenda.

Next steps

The final Action Agenda will include a narrative description of each action area, maps, updates to these tables that include responsibilities for action.

Draft Action Area Priorities– Strait of Juan de Fuca Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Species</p> <ul style="list-style-type: none"> Rare and unique upland species of birds, plants, and animals <p>Unique Habitat Type and Ecosystem Processes</p> <ul style="list-style-type: none"> Marine/estuary: Exchange of fresh and marine waters helps Puget Sound from becoming stagnant Marine/estuary: Migration corridor for fish, bird and marine mammal species Upland: Intact upland forests in and around Olympic National Park, Forest, and Wilderness Areas <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Timber and pulp production Agricultural production with an extended growing season because of low precipitation conditions Shellfish production Commercial, recreational, and tribal fishing Hatcheries provide harvest opportunities and population stability while wild salmon stocks rebuild: Elwha spring Chinook, Dungeness spring Chinook, Dungeness pink salmon <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Olympic National Park and Forest, Dungeness National Wildlife Refuge, Olympic Discovery Trail <p>Community and Economy</p> <ul style="list-style-type: none"> Rural communities Favorable climate conditions draws retirees to reside in area Marine vessel passage, shipping and marine trades Jamestown S'Klallam Tribe Lower Elwha Klallam Tribe Makah Tribe 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine/estuary: Loss of estuary habitat and pocket estuaries Marine nearshore: 14% shoreline modified stretching from Point Wilson to Elwha; 1439 overwater structures; 1.8 miles of railroad along marine shoreline Freshwater: Blocked habitat in over 70 miles of mainstem and tributaries; 95% of historic Chinook habitat blocked by Elwha dam system; disruption of river processes through dikes, riparian development, vegetation removal, and poor forest practices Upland: Loss of working farms and forests through conversion <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Port Angeles Harbor contamination, including Rayonier Mill site contamination; contamination from Warmhouse Beach Open Dump site threatens human health, water quality, and shellfish areas; potential threats from oil spills due to high marine traffic Bacterial Pollution: High levels of fecal coliform contamination in lower Dungeness River and independent streams and Dungeness and Discovery Bays, resulting in shellfish bed closures Surface water runoff impacts: CSO events (69 in 2007); point and non-point sources of pollutants <p>Freshwater Resources</p> <ul style="list-style-type: none"> Limited water availability for people, farms, and fish: Low summer flows in WRIA 17, 18, 19; extreme high flows in WRIA 18 & 19; critical water shortages in Neah Bay; many instream flows not established Alteration of surface hydrology: Major alteration of flows in Elwha and Dungeness Rivers <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: Japanese knotweed, European bittersweet, reed canary grass, and butterfly bush infestations along riparian corridors; Japanese oyster drill, tunicates, and green crab in marine waters <p>Artificial propagation</p> <ul style="list-style-type: none"> Fish hatcheries: Potential negative ecological and genetic impacts on natural salmon and other hatchery populations resulting from salmon production; Shellfish production: Not identified as a local issue <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch: Strait salmon runs are heavily impacted by Canadian harvest; Logging and hunting practices: Local pressures need to be identified <p>Localized climate change impact</p> <ul style="list-style-type: none"> Sea level rise: Predicted loss of tidal flats, complete loss of Dungeness Spit, loss of 58% of estuarine and marine shoreline beaches Changes in hydrology due to loss of permanent snowfields and glaciers <p>Other</p> <ul style="list-style-type: none"> Population increase by 2025: 23% in Clallam County (more than 14,000 people) and 55% in Jefferson County (more than 14,000 people) Harmful algae blooms: localized occurrences of seasonal or occasional shellfish area closures from paralytic shellfish poisoning and amnesic shellfish poisoning 	<p>A: Protect Intact Ecosystem Processes, Structures, and Functions</p> <ul style="list-style-type: none"> Update and implement regulatory programs: Complete Critical Area Ordinance update (City of Sequim); complete Shoreline Master Programs updates (Clallam County, Port Angeles, Sequim, Jefferson County) Protect and conserve water flows: Establish and maintain instream flows for WRIsAs 17, 18, and 19; complete and/or implement 2514 plans; improve aquifer resources in the Dungeness and other flow limited basins Protect and support long-term stewardship of working farms, forests and aquatic lands <p>B: Restore Ecosystem Processes, Structures, and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects: <ul style="list-style-type: none"> Complete Elwha River System Restoration Project Implement Salmon Recovery three-year workplans for WRIsAs 17, 18, 19 Implement existing Marine Resource Plans Implement Forest Practices Habitat Conservation Plans Implement Road Maintenance & Abandonment Plans Implement Conservation District Work Plans Implement Dungeness River management plans Clean up and restore the Port Angeles Harbor and waterfront through the harbor planning process <p>C: Reduce the Sources of Water Pollution</p> <ul style="list-style-type: none"> Prevent pollution: Implement Sequim-Dungeness and East Jefferson Clean Water District Strategies to address TMDLs and shellfish downgrades; enhance capacity to address and mitigate threats and impacts from marine vessel traffic Manage urban stormwater runoff: Implement NPDES permits; update and implement Stormwater Management Plans and Codes (Clallam County, City of Sequim) Upgrade and manage wastewater treatment plants: Implement Carlsborg Urban Growth Area Wastewater Treatment and Water Reuse strategy Manage on-site and septic systems: Implement Clallam and Jefferson counties on-site septic management programs Prioritize inwater and upland toxic clean up sites: Close and remediate the Makah Tribe Warmhouse Beach Open Dump and develop a solid waste transfer and reuse facility <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long-term strategy <ul style="list-style-type: none"> Coordinate planning and implementation: Start with shorelines, land use, and water supply planning Coordinate protection and restoration actions identified in major plans: Start with salmon recovery, water supply, and marine nearshore plans

Draft Action Area Priorities – Hood Canal Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Species</p> <ul style="list-style-type: none"> Unique summer chum salmon stock spawns only in Hood Canal and Eastern Strait of Juan de Fuca <p>Unique Habitat Type and Ecosystem Processes</p> <ul style="list-style-type: none"> Skokomish River is largest salmon producing river in West Sound Marine/estuary: Migration corridor for fish, bird and marine mammal species along nearshore Intact upland forests: In and around Olympic National Park, Forest, and Wilderness Areas provide soil and water retention, wildlife habitat <p>Freshwater Resources</p> <ul style="list-style-type: none"> Water and/or hydropower supply for City of Bremerton, City of Port Townsend, City of Tacoma, eastern communities of Kitsap County <p>Food and Timber</p> <ul style="list-style-type: none"> Timber, pulp and secondary forest product production Internationally renowned oysters Commercial, recreational and tribal fishing and shellfishing including salmon and trout, geoduck, oysters, clams, Dungeness crab and Spot Prawn Hatcheries provide harvest opportunities and population stability while wild salmon stocks rebuild (Summer chum salmon, reintroduction of spring Chinook and other species to North Fork Skokomish) <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Boating, sailing, water skiing, diving, hunting,, sportfishing, Olympic National Park, Fort Worden Vacation residences. <p>Community and Economy</p> <ul style="list-style-type: none"> Hood Canal Bridge provides transportation linkage between Kitsap and Olympic peninsulas. Homeland security: US Navy Submarine Base at Bangor and Naval Munitions Center at Indian Island. Port Gamble S'Klallam Tribe Skokomish Tribe 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine/estuary: Loss of estuary habitat and pocket estuaries; loss of recreational, tribal, and commercial shellfish beds through habitat modifications Marine nearshore: Disruption of marine shoreline processes from roads, homes, and shoreline armoring that have altered sediment supply, vegetation, water quality and freshwater inputs. Freshwater: Blocked habitat including North Fork of Skokomish blocked by Cushman dam, South Fork seasonally blocked by habitat degradation and multiple culverts; Loss of floodplain processes and functions due to decreased flood storage capacity; sediment aggradation; loss of wetlands, altered floodplain connectivity, hydrology, channel network, and riparian area, loss of channel function by simplification and wood removal Upland: Loss of working farms and forests through conversion <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Industrial pollution from mill site in Port Gamble Bay. Bacterial contamination and pathogens: loadings from human and animal waste lead to shellfish and recreational swimming beach closures. Nutrient loading: significant low dissolved oxygen conditions Surface water runoff impacts: Pollutants from stormwater and agricultural runoff. <p>Freshwater Resources</p> <ul style="list-style-type: none"> Major alterations in flows: Union, Skokomish, Big and Little Quilcene rivers. Limited water availability for people, farms and fish: year round low flows WRIA 14b and 15; seasonal low flows and extreme high flows WRIA 16 and 17; Many instream flows not established <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: Invasive tunicates, Japanese knotweed, reed canary grass, giant hogweed, yellow flag iris, purple loosestrife and European bittersweet. <p>Artificial Propagation</p> <ul style="list-style-type: none"> Fish hatcheries: Salmon production has potential negative ecological and genetic impacts on natural populations and other hatchery populations; replacement of indigenous populations by introduced strains from out of the basin may compromise ability to develop viable, locally adapted populations; Shellfish production: not identified as a local issue <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch, logging and hunting practices: Local pressures need to be identified <p>Localized climate change impacts</p> <ul style="list-style-type: none"> Sea level rise, loss of estuarine beaches, increased shoreline flooding. Reduction in glaciers and snowfields and associated hydrologic impacts. <p>Other</p> <ul style="list-style-type: none"> Harmful algal blooms, biotoxin and pathogen outbreaks. Conflicting use values of marine shorelines. Increase in population by 2025: 35% (more than 100,000 people) in Kitsap, Mason and Jefferson counties. 	<p>A: Protect Intact Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Protect high value habitat: Acquire high priority marine and freshwater habitat identified in salmon recovery and other local plans support and protect critical resources and ecosystem processes, structure and function; develop local acquisition strategy Update and implement regulatory programs: Complete Shoreline Master Program updates for Mason, Jefferson and Kitsap counties; Complete Critical Area Ordinance update for Mason County Protect and conserve water flows: Establish or update and implement instream flow rules for WRIA 14b, 15, 16, and 17 Protect working forests, particularly on the Tahuya Peninsula Protect and support long-term stewardship of working farms, forests, and aquatic lands <p>B: Restore Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects: <ul style="list-style-type: none"> Prioritize and implement species recovery plans including: Hood Canal Summer Chum, Skokomish Chinook, mid-Hood Canal Chinook and Bull Trout; implement in coordination with the Shoreline Master Program restoration plans Complete Skokomish River and Quilcene delta restoration projects. Implement Forest Practices Habitat Conservation Plans; implement Road Maintenance and Abandonment Plans; decommission or maintain USFS roads Complete the Skokomish River Ecosystem Restoration and Flood Damage Reduction Study <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Prevent pollution: <ul style="list-style-type: none"> Establish and implement a Pollution Identification and Correction Program in Jefferson and Mason counties, Port Gamble S'Klallam and Skokomish tribes; continue to implement program in Kitsap county Develop and implement TMDL and 303d category 4b plans Implement shellfish protection district plans: (East Jefferson, Annas Bay, Lower Hood Canal) Investigate, and if appropriate, implement Hood Canal as a No Discharge Zone for boats Investigate opportunities for water reuse at existing future sewage treatment facilities Manage urban stormwater runoff: Update & implement Stormwater Management Plans and Codes (Mason, Jefferson, Kitsap counties, City of Port Townsend, Port Gamble S'Klallam and Skokomish tribes) Upgrade and manage wastewater treatment plants: Complete planned sewer projects for Belfair, Skokomish/Potlatch/Hoodsport, Port Hadlock, Paradise Bay, Dosewallips State Park, and Brinnon public facilities. Manage on-site and septic systems: Update and implement on-site sewage system management plans and regulations; address poorly function systems through the action area Establish ambient water quality and quantity monitoring programs for surface and ground water. Prioritize inwater and upland toxic clean up sites: Clean up industrial pollution in Port Gamble bay. <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long-term strategy: <ul style="list-style-type: none"> Hood Canal Coordinating Council and Hood Canal Dissolved Oxygen Program to work collaboratively to develop and implement actions to respond to research findings from the Hood Canal Dissolved Oxygen Program. Coordinate and integrate of marine and watershed groups to improve coordinated planning, as well as implementation efficiency and effectiveness; synthesize existing recommendations Integrate and prioritize project needs for ecosystem processes, structure, and function. <p>E: Other</p> <ul style="list-style-type: none"> Continue Hood Canal dissolved oxygen research.

Draft Action Area Priorities– North Central Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Habitat Type and Ecosystem Processes</p> <ul style="list-style-type: none"> Freshwater: Lowland stream habitats on Kitsap Peninsula support chum, coho, cutthroat and steelhead Marine nearshore: Supports chum, pink, and Chinook salmon from throughout Puget Sound <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Shellfish production and harvest Recreational and tribal fishing <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Boating, state parks, shoreline access <p>Community and Economy</p> <ul style="list-style-type: none"> Water-oriented communities Commerce, military, and marine transportation hub Homeland security: Keyport Naval Undersea Warfare Center, Puget Sound Naval Shipyard; Manchester Fuel Depot Model program for water quality improvements via "pollution identification and correction" Port Gamble S'Klallam Tribe Suquamish Tribe 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine nearshore: 49% shoreline modified, especially in south part of action area and Bainbridge Island; 291 piers and docks, 108 boat ramps on Bainbridge Island Upland: Loss of working farms and forests through conversion for urban and suburban uses; 12% impervious surface overall with considerable variation by watershed <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Hundreds of acres of contaminated sediments, especially at Sinclair and Dyes inlets, Liberty Bay, and Eagle Harbor from a history of naval and industrial activities; groundwater contamination from Eagle Harbor superfund site Bacterial contamination: threatened and closed shellfish growing areas and 7 local streams closed for human contact Nutrient loading: low dissolved oxygen in bays, especially in areas of poor flushing Surface water runoff impacts: CSO and SSO events <p>Freshwater Resources</p> <ul style="list-style-type: none"> Limited water availability for people, farms and fish: streamflows dependent on precipitation and groundwater; 80% of drinking water comes from groundwater; streams in urbanized watersheds are subject to low summer flows and peak storm flows. <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: Knotweed and other non-native invasive species in some locations <p>Artificial propagation</p> <ul style="list-style-type: none"> Fish hatcheries: Salmon production has potential negative ecological and genetic impacts on natural salmon and other hatchery populations; Salmon net pens: potential commercial production of Atlantic salmon in Rich Passage unknown; Shellfish production: not identified as a local issue; <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch, logging, and hunting practices: Local pressures need to be identified <p>Localized climate change impact</p> <ul style="list-style-type: none"> Sea level rise: Loss of beach land by 2050, converted to tidal flats <p>Other</p> <ul style="list-style-type: none"> Population increase by 2025: 21% in Kitsap County (more than 65,000 people) 	<p>A: Protect Intact Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Growth and development: Implement local portions of Vision 2040 plan; coordinate with local transportation planning Protect high value habitat: Acquire "1000 Acre Woods" critical habitat north of Gig Harbor; protect remaining intact nearshore habitat Update and implement regulatory programs: Complete Shoreline Master Program updates (Gig Harbor, Bremerton, Kitsap County); Complete Critical Area Ordinance updates (Port Orchard) Protect and conserve water flows: <ul style="list-style-type: none"> Manage lands and runoff to ensure plentiful and clean groundwater recharge Implement water conservation and reclaimed water development and use <p>B: Restore Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects in existing plans: <ul style="list-style-type: none"> Implement Salmon Recovery three-year workplans Complete Chico Creek, Carpenter Creek and other salmon restoration priority projects Implement recommendations of Gig Harbor Basin Plan, and Crescent Valley Biodiversity Stewardship Plan in a coordinated way Implement stewardship incentives to increase private landowner restoration projects: Conduct outreach and assist property owners with replacement of hard bulkheads with soft beach protection <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Prevent pollution: <ul style="list-style-type: none"> Reduce bacteria contamination in shellfish growing areas, other marine nearshore areas and streams Control sources of pollution that re-contaminate sediment cleanup sites; support Navy ENVVEST project and other opportunities to cooperate to reduce pollution Implement KGI Watershed Action Plan Focus education and outreach activities to reduce pollution from live-boards, boating and water-based activities Manage urban stormwater runoff: <ul style="list-style-type: none"> Use and increase site-appropriate LID techniques; encourage use of technologies and approaches that replicate natural ground water systems to manage for future planned growth Implement NPDES permits Upgrade wastewater treatment plants: Enforce already required modifications to sewer systems to avoid further pollution Manage on-site and septic systems: Implement Pierce and Kitsap counties onsite management plans; continue to implement pollution identification and correction program <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long term strategy: <ul style="list-style-type: none"> Continue to improve WRIA 15 salmon recovery coordination for implementation Continue coordination among West Sound Watersheds, KGI Watershed Council, and Shellfish Partners Integrate nearshore and marine efforts (e.g., Shoreline Master Program updates) with watershed recovery efforts (e.g., Critical Areas Ordinance updates, Salmon Recovery Plan) Continue coordination with the Navy and other key stakeholders

Draft Action Area Priorities– South Sound Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority Action Area Strategies
<p>Unique Habitat Types and Ecosystem Processes</p> <ul style="list-style-type: none"> Marine/estuary: Nisqually River is largest undeveloped estuary in Puget Sound and largest National Wildlife Refuge in Puget Sound; important salmon, wildlife and bird habitat Marine/estuary: Nursery area for multiple Chinook populations Shoreline: Large areas of intact shoreline Upland: Unique prairie habitat with endemic species <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Nationally renowned shellfish; one of the largest shellfish producing areas in state Recreational and tribal clamming, crabbing and fishing <p>Freshwater Resources</p> <ul style="list-style-type: none"> Hydropower for City of Centralia and City of Tacoma Leadership in reclaiming municipal wastewater <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Recreation: clamming, crabbing, Mt. Rainier National Park, kayaking, boating <p>Community and Economy</p> <ul style="list-style-type: none"> Numerous commercial and residential centers Center of government Ports of Olympia and Shelton Homeland security: Fort Lewis & McCord Air Force Base Nisqually Tribe Squaxin Tribes 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine/estuary: Loss of riparian and estuary habitat, some intertidal alterations Marine nearshore: 40% shoreline modified; BNSF rail along eastern shoreline Freshwater: Blocked habitat including dams on Deschutes and Nisqually Rivers; fill for I-5 on Nisqually Upland: Loss of prairie habitat through land conversion; loss of hydrologic function from existing and expanding impervious surface <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Industrial pollution in bays and contaminated sediments including Oakland Bay, Chambers Bay, Budd Inlet Bacteria contamination: Bacteria and pathogens from human and animal waste Nutrient loading: low dissolved oxygen in Budd Inlet, Case Inlet, and Carr Inlet Air quality: Poor air quality due to particulate pollution (wood smoke, diesel emissions, etc.) <p>Freshwater Resources</p> <ul style="list-style-type: none"> Low flows in WRIA 12; flow issues in WRIA 13 <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations <p>Artificial propagation</p> <ul style="list-style-type: none"> Fish hatcheries: Salmon production has potential negative ecological and genetic impacts on natural populations and other hatchery populations and may compromise ability to develop viable, locally adapted populations; Shellfish production: Potential ecosystem impacts related to some aquaculture practices <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch, logging, and hunting practices: Local pressures need to be identified <p>Localized climate change impact</p> <ul style="list-style-type: none"> Sea level rise: Significant loss of estuarine beaches; inundation of tidal flats; flooding at downtown Olympia <p>Other</p> <ul style="list-style-type: none"> Conflicting use values of marine shorelines Increase in population by 2025: 47%; more than 450,000 people, in Thurston, Pierce, Mason counties 	<p>A: Protect Intact Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Protect high value habitat: <ul style="list-style-type: none"> Protect undeveloped shoreline Acquire high priority marine and fresh water habitat, including: Gull Harbor in Budd Inlet; Lower Eld Inlet Shoreline Conservation; Twin River Ranch at Oakland Bay; Harstine Island Shoreline; Filcuy Bay Farm and Shoreline; Devils Head; and Lower Ohop Protection Project Update and implement regulatory programs: Complete and implement Shoreline Master Program updates; Complete and implement Critical Area Ordinances Protect and conserve water flows: Continue and expand LOTT Alliance water reuse facilities and nutrient removal <p>B: Restore Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects: <ul style="list-style-type: none"> Complete restoration of Nisqually estuary Implement Salmon Recovery three-year workplans (WRIAs 10/12, 11, 13/14, 15) Restore shorelines using WRIA 15, and WRIA 11, 13, 14 nearshore assessments Implement existing basin protection and restoration plans in Key Peninsula, Clover/Chambers, and Nisqually basins; develop plans for other South Sound basins Develop and implement a multi-species recovery and management plan for salmonids and forage fish not addressed in Chinook Recovery Plans. Support habitat and shoreline restoration efforts underway in Budd Inlet and Hammersley-Oakland Bay Develop and implement conservation and recovery plans for prairie dependent species Support and encourage Port of Shelton and Port of Olympia strategic redevelopment plans, including stormwater retrofits <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Reopen key shellfish producing areas in North Bay, Oakland Bay, Henderson Inlet, Burley Lagoon by reducing pollution as identified below. Prevent pollution: Implement existing Watershed Action Plans, Shellfish Protection Districts, and other water pollution cleanup plans in a coordinated way; Implement the Oakland Bay Sa-Heh-Wa-Mish Initiative and the Oakland Bay Clean Water District strategies. Manage urban stormwater runoff: Develop and Implement LID where feasible; retrofit outdated, existing legacy systems; support development of local surface water management utilities and associated fees Upgrade and manage wastewater treatment plants: Shelton, LOTT, and Chambers Bay Manage on-site and septic systems: Implement on-site management plans for Pierce, Thurston, Mason and Kitsap counties, prioritize areas with shellfish production, low dissolved oxygen, and high nutrient and pathogen loading; Implement Shellfish Partners, and enhance onsite grants and loans programs Prioritize inwater and upland toxic clean up sites: Clean up industrial pollution in Budd Inlet, Oakland Bay, and Chambers Bay <p>D: Work together as a system on priority actions</p> <ul style="list-style-type: none"> Coordinated long-term strategy: <ul style="list-style-type: none"> Continue recent collaborative work in watershed coordination; investigate whether more formal collaboration is needed Integrate nearshore and marine efforts (e.g., Shoreline Master Program) with watershed recovery efforts (e.g., Critical Areas Ordinances, Salmon Recovery Plan). <p>E: Other</p> <ul style="list-style-type: none"> Maintain Nisqually hatchery operations to conserve Chinook species Implement Ecology best management practices guidelines for geoduck aquaculture Resolve shoreline use conflicts

Draft Action Area Priorities – South Central Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Species</p> <ul style="list-style-type: none"> More than 17 unique populations of salmon, trout and steelhead <p>Unique Habitat Types and Ecosystem Processes</p> <ul style="list-style-type: none"> Freshwater: Core area for bull trout recovery (Puyallup/White) Upland: intact upland forest in and around Mt. Rainer National Park <p>Freshwater Resources</p> <ul style="list-style-type: none"> Water supply for City of Seattle, City of Tacoma, and surrounding metropolitan areas; many water supply watersheds are protected <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Recreational harvest: Lake Washington sockeye and Issaquah Creek Chinook Significant agriculture areas Commercial, recreational, and tribal fishing Hatcheries provide harvest opportunities and population stability while wild salmon stocks rebuild: White River spring Chinook, Puyallup steelhead <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Mount Rainer National Park, Mount Baker-Snoqualmie National Forest, Lake Washington, Lake Tapps, Lake Sammamish, Mountain to Sound Greenway, boating, sport fishing, diving <p>Community and Economy</p> <ul style="list-style-type: none"> Population center for Puget Sound with more than three million residents Commercial & industrial hub, generating 63% of the gross state product Significant rural areas Home of the North Pacific fishing fleet International port facilities (Tacoma and Seattle) and cruise ship terminal Largest wastewater treatment system in the state with innovative Brightwater Treatment Plant Marine trades Leadership on low impact development, including Built Green and Green Tools programs Muckleshoot Tribe Puyallup Tribe 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine/estuary: Major loss of estuary habitat in Duwamish and Puyallup River estuaries and creation of an artificial estuary created by the Ballard Locks Marine nearshore: 75% shoreline modified, including overwater structures, shoreline armoring, dredging, filling, and marine shoreline vegetation removal Freshwater: Over 100 miles of blocked habitat with dams and diversions (Green, White, Puyallup). Significant alteration of rivers, floodplains and shorelines; river straightening and channelization (Duwamish, Puyallup, Cedar, Sammamish); floodplain development, Extensive alteration of surface hydrology, especially Lake Washington, Ballard Locks, White, Cedar, Puyallup, Duwamish and Black Rivers, Significant diversion of water to drinking water supply and wastewater systems to Puget Sound, altering migration routes for salmon, modifying hydrology Upland: Loss of working farms and forests through conversion to; 34% impervious surface in urban growth area; increasing urban and rural development <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Duwamish and Commencement Bay Superfund sites; recontamination of previously cleaned up sites Bacterial pollution: Failing septic systems in nearshore areas and throughout watersheds; agricultural runoff Air pollution: Significant source from automobile emissions Nutrient loading: Especially in areas with limited flushing, (Shilshole Bay, Quartermaster Harbor, and Dumas) Surface water runoff impacts: Major source of urban stormwater runoff and pollutants into Puget Sound <p>Freshwater Resources</p> <ul style="list-style-type: none"> Limited water availability for people, farms, and fish: Low summer flows and high peak stream flows in WRIAs 8,9,10/12; low mainstem winter flows Increased future water demand for higher population Localized areas of saltwater intrusion into groundwater <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: Japanese knotweed, reed canary grass, and butterfly bush infestations along riparian corridors; non-native fish species in most lakes; nutria; marine invasive species including tunicates <p>Artificial Propagation</p> <ul style="list-style-type: none"> Fish hatcheries: Salmon production in Lake Washington/Sammamish, Green and White rivers have potentially negative ecological and genetic impacts on natural salmon; Shellfish production: not identified as a local issue <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch, logging, and hunting practices: Local pressures need to be identified <p>Localized climate change impact</p> <ul style="list-style-type: none"> Significant source of Puget Sound carbon emissions as 50% of carbon emissions are transportation related Sea level rise: Risk of conversion of upland to shoreline; loss of estuarine beaches; limited sea level rise impacts in Tacoma <p>Other</p> <ul style="list-style-type: none"> Population increase by 2025: 34% in King, Pierce, Snohomish counties (more than 1,000,000 people) 	<p>A: Protect Intact Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Protect high value habitat: <ul style="list-style-type: none"> Acquire high priority habitats (e.g., Lower Puyallup transition zone habitat, White River PSE properties, South prairie Creek, Middle Puyallup forest lands) Implement White River Biodiversity Stewardship Plan Implement Habitat Conservation Plans (forest & fish plans, Cedar, Green, Tacoma) Implement Pierce and King Counties transfer of development rights programs, cluster development, and increase density in urban areas; utilize conservation easements Update and implement regulatory programs: Shoreline Master Program updates (King and Pierce Counties, all relevant cities); Critical Area Ordinance updates (all relevant cities); restrict additional shoreline armoring Protect and conserve water flows: Complete regional water supply planning process; establish and implement instream flow agreements in Green, White, Lake Washington, Puyallup; promote water conservation and reclaimed water use Protect and support long-term stewardship of working farms, forests and aquatic lands <p>B: Restore Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects: <ul style="list-style-type: none"> Implement Salmon Recovery three-year workplans for WRIAs 8, 9, 10/12 Implement existing basin protection and restoration plans in King and Pierce Counties Implement large-scale floodplain reconnection projects to restore habitat and protect public safety Provide fish passage at Howard Hanson Dam on Green River, Electron Dam on the Puyallup River and Buckley Diversion dam on the White River Restore upper Green River riparian corridor, increase channel complexity, and decommission old logging roads Set levees back along the Cedar, Sammamish, Green, Puyallup, White and Carbon Rivers Protect and restore Duwamish and Puyallup estuary transition zone habitats. <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Work with Puyallup Tribe, King County Public Health, and homeowners to restore shellfish beds in Quartermaster Harbor Prevent pollution: Coordinated implementation of existing clean water plans and TMDLs; implement Puyallup River Watershed Action Plans Manage urban stormwater runoff: Implement significant stormwater retrofits; implement low impact development strategies; implement NPDES permits; build on STORM education and outreach program; implement pharmaceuticals take-back program Manage on-site and septic systems: Implement Pierce, King and Snohomish Counties onsite management plans; expand Pierce County's onsite grant and loan program. Prioritize inwater and upland toxic clean up sites: Implement Superfund cleanup at Duwamish River, Commencement Bay <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long-term strategy: <ul style="list-style-type: none"> Continue to encourage tribal participation in recovery efforts Integrate resource planning across water quality, water quantity & salmon recovery—including updates to Critical Area Ordinances and Shoreline Master Programs Continue to advance regional cooperation in South Central Puget Sound Implement Vision 2040 plan and coordinate growth planning with water quality and quantity infrastructure investment <p>E: Other</p> <ul style="list-style-type: none"> Continue hatchery production for species conservation in White River Continue Kokanee conservation planning and implementation Integrate hatchery production at Issaquah Creek and Soos Creek Hatcheries with salmon recovery

Draft Action Area Priorities – Whidbey Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Species</p> <ul style="list-style-type: none"> Core bull trout populations <p>Unique Habitat Types and Ecosystem Processes</p> <ul style="list-style-type: none"> Marine/estuary: Important hake spawning area (Port Susan) Marine/estuary: Three large estuaries provide migratory cross-roads for many salmon populations, significant bird habitat, some of the largest eelgrass beds in Puget Sound, significant kelp beds (west coast of Island County) Freshwater: Major Chinook producing rivers (Skagit, Stillaguamish, Snohomish systems); major producer of Coho in Puget Sound and on west coast Upland: Intact upland forests in and around North Cascades National Park, Alpine Lakes, Wild Sky, Glacier Peak Wilderness <p>Freshwater Resources</p> <ul style="list-style-type: none"> Significant freshwater input from large rivers Hydropower for western Washington power grid Sultan River provides water supply for Everett <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Strong agriculture base: dairy, flowers, vegetables, berries, nursery Shellfish production and Dungeness crab fishery Commercial, tribal, and recreational fishing Hatcheries provide harvest opportunities and population stability while wild salmon stocks rebuild (North Fork Stillaguamish summer Chinook salmon; South Fork Stillaguamish fall Chinook, Snohomish River) Timber, pulp production <p>Recreation and Tourism</p> <ul style="list-style-type: none"> North Cascades National Park and Wilderness Areas, sport fishing, boating, whale watching, skiing Tourist attractions at small waterfront communities <p>Community and Economy</p> <ul style="list-style-type: none"> Significant employment and population centers, including rural water-connected communities (Camano, Whidbey Islands) Deepwater ports that support shipping and industry, including Port of Everett Homeland security: Whidbey Island Naval Air Station; Naval Station Everett - home of the USS Abraham Lincoln Swinomish Tribe Tulalip Tribes Potential for tidal power 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine/estuary: Loss of estuary tidal marsh and habitat connectivity, with more than 80% of the Snohomish, approximately 75% of the Skagit, and 85% of the Stillaguamish estuaries diked, cutting off tidal marshes and blind tidal channels; only 18% of historic wetlands remain; potential future impacts from tidal power generation Shorelines: Development along lake shorelines, reducing habitat availability and heterogeneity, increasing nitrification, increases in invasive species and toxic algal blooms Marine nearshore: 38% of marine shoreline armored; over 5,000 overwater structures; 5.6 miles of railroad grade; disconnected feeder bluffs and pocket estuaries, development in sensitive areas Freshwater: Loss of large river habitat complexity and floodplain connectivity from diking, riparian clearing, and floodplain development, reducing wood debris jams, side-channels, forested islands and pools Uplands: Loss of working farms and forests through conversion resulting in altered basin hydrology and degraded habitat; 16% increase in impervious surface in Snohomish watershed from 1991-2001; potential future development pressure in nearshore, river valley and upland areas <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Groundwater contamination leaching from past industrial development Bacterial pollution: 48% of impaired waters listings due to bacterial pollution, Dissolved oxygen and temperate concerns found in streams Nutrient loading: Eutrophication and dissolved oxygen impairments in Penn Cove, Saratoga Passage, Possession Sound Surface water runoff impacts: Pollutant loading from urban stormwater and agricultural runoff; emerging pre-spawn fish mortality concern <p>Freshwater Resources</p> <ul style="list-style-type: none"> Limited water availability for people, farms, and fish: Low summer flows in WRIsAs 5 & 7; Altered magnitude, frequency and duration of peak flow events in WRIsAs 3, 4, 5 & 7 Alteration of surface hydrology: Major alterations for flows in Skagit and Sultan Rivers below dams Increased freshwater demand from more people, resulting in decreased aquifer levels, saltwater intrusion, and decreased groundwater discharge <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: Japanese knotweed, Spartina <p>Artificial Propagation</p> <ul style="list-style-type: none"> Salmon production has potential negative ecological and genetic impacts on natural populations and other hatchery populations; Shellfish production: not identified as a local issue <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch, logging, and hunting practices: Local pressures need to be identified <p>Localized climate change impacts</p> <ul style="list-style-type: none"> Sea level rise: significant change and loss of estuarine habitat in Snohomish, Stillaguamish, and Skagit estuaries; significant loss of Whidbey Island beaches; risk of salt water intrusion; potential loss of floodplain capacity from from diking Changes in hydrology due to reduced snow pack and forest cover <p>Other</p> <ul style="list-style-type: none"> Increase in population by 2025: 49% in Skagit, Island, Snohomish counties (over 380,000 people) Toxic algal blooms in lake systems 	<p>A: Protect Intact Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Protect unique functions of the Action Area: Smith Island kelp, Padilla and Fidalgo Bay eelgrass beds, and unique spawning areas and bird habitat Update and implement regulatory programs: Complete and implement Shoreline Master Program updates on schedule; Adopt clearing and grading ordinances throughout Whidbey Basin; Protect and conserve water flows: Implement flow rules and programs in all basins; upgrade flow rules in Snohomish Basin Evaluate need to protect ecosystem processes and quality of life needs when considering tidal energy projects Protect and support -term working farms, forests, and aquatic lands: Support TDR/PDR programs; provide technical assistance to landowners Invasive species: Continue local efforts to identify and eradicate invasive species impairing habitat <p>B: Restore Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Implement priority restoration projects: Implement Salmon Recovery three-year work plan (WRIsAs 3, 4, 5, 6, 7), and restoration components of shoreline management plans. Complete large scale estuary restoration projects in the Skagit, Snohomish, and Stillaguamish rivers and meet restoration targets set in the salmon recovery plans Implement large-scale floodplain reconnection projects to connect side channels and provide mainstem rivers Prioritize derelict gear removal opportunities <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Prevent pollution: <ul style="list-style-type: none"> Implement TMDL plans addressing temperature, dissolved oxygen, mercury, and bacteria impairments Develop and implement strategy to address low dissolved oxygen levels in Penn Cove, Holmes Harbor, Saratoga Passage, and Possession Sound, using lessons learned in Hood Canal Provide support for technical assistance and cost-share programs for small farms and commercial agriculture to improve and integrate agricultural nutrient management; integrate small farms into current programs; and keep livestock out of streams Implement STORM group recommendations Manage urban stormwater runoff: Implement NPDES permits, Use and increase site-appropriate LID techniques to manage for future planned growth; begin stormwater retrofits in dense urban areas Manage on-site septic systems <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long-term strategy: <ul style="list-style-type: none"> Support integration of species recovery, water quality, aquatic reserve and natural resource management plans, shoreline master programs, and Marine Resource Committee strategies. Start with salmon recovery, MRC, and water management plans. Continue to work cooperatively with farming community to develop a coordinated restoration strategy that balances the needs of agriculture and fish; support engagement of salmon recovery watershed groups with the Snohomish and Skagit County Agricultural Advisory Boards and other farming groups; support collaborative efforts to negotiate the Skagit Delta Tidegates and Fish Initiative Sustain recent collaborative efforts to identify protection and restoration opportunities in the Skagit watershed; Maintain ongoing efforts in the Snohomish and Stillaguamish basins Investigate a permit coordination pilot project in the Snohomish Basin

Draft Action Area Priorities– Whatcom Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Species</p> <ul style="list-style-type: none"> Two unique spring run Chinook populations in Nooksack River Historically significant Cherry Point herring spawning area <p>Unique Habitat Type and Ecosystem Processes</p> <ul style="list-style-type: none"> Marine/estuary: Forage fish habitat Upland: Migratory bird habitat Intact upland forests: In and around Cascades National Park <p>Freshwater Resources</p> <ul style="list-style-type: none"> Lake Whatcom watershed provides water for half of Whatcom County <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Large agriculture: Significant dairy industry (ranks in top 5 dairy regions nationally), 75% of US raspberry production, blueberries. Shellfish aquaculture and Dungeness crab fishery (Tribal, commercial and recreational) Commercial, tribal, and recreational fishing Hatcheries to provide harvest opportunities and population stability while wild salmon stocks rebuild (South Fork Nooksack spring Chinook, North Fork Nooksack spring Chinook) <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Mount Baker, North Cascades, rafting, hiking, kayaking, skiing, birding, Birch Bay, Nooksack River, Lake Whatcom <p>Community and Economy</p> <ul style="list-style-type: none"> Rural communities Proximity to recreation draws outdoor enthusiasts to reside in area Lummi Tribe Nooksack Tribe 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine: 3,000+ derelict crab pots and multiple fishing nets in Cherry Point reach Marine/estuary: Loss of native eelgrass meadows due to shoreline modification and dredging in inner Bellingham Bay Marine nearshore: 36% shoreline modified; Degradation of marine riparian vegetation and function Freshwater: Loss of mainstem and floodplain river habitat; culverts and dams disrupt hydrology and/or block habitat Upland: Loss of forest cover resulting in landslides <p>Pollution</p> <ul style="list-style-type: none"> Industrial pollution: Bellingham Bay includes toxics, metals, PAHs, nutrients Bacterial pollution: nutrients and pathogens from livestock waste lead to shellfish closures in Drayton Harbor, Portage Bay, Chuckanut Bay Low dissolved oxygen, mercury and phosphorous in Lake Whatcom Surface water runoff impacts: Bellingham Bay, Birch Bay, Drayton Harbor <p>Freshwater Resources</p> <ul style="list-style-type: none"> Low instream flows and many established instream flows not being met <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: tunicates in Blaine Marina, Drayton Harbor, Chucknut Bay Birch Bay; rock snot in Chuckanut area; knotweed in Nooksack estuary; spartina in Birch Bay <p>Artificial propagation</p> <ul style="list-style-type: none"> Salmon production has potential negative ecological and genetic impacts on natural populations and other hatchery populations; Fall Chinook hatchery production has potential negative impacts on native spring-run Chinook <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch: Nooksack Chinook salmon runs heavily impacted by Canadian harvest; Logging and hunting practices: Local pressures need to be identified <p>Localized climate change impact</p> <ul style="list-style-type: none"> Sea level rise: loss of swamp, marsh and estuarine beach in Nooksack Delta Potential hydrologic changes in Middle and South forks of the Nooksack due to loss of glaciers and earlier snow melt <p>Other</p> <ul style="list-style-type: none"> Increase in population by 2025: 48%, more than 79,000 people 	<p>A: Protect Intact Ecosystem Processes, Structure and Functions</p> <ul style="list-style-type: none"> Protect high value habitat: Develop strategy to protect large intact marine and nearshore habitat Update and implement regulatory programs: Complete and implement Critical Area Ordinance updates and the County's and Cities' Shoreline Master Programs; Implement new land use measures and mitigation alternatives through implementation of the Birch Bay Watershed characterization Pilot Study. Protect and conserve water flows: Implement Instream Flow Action Plan for WRIA 1; address illegal water withdrawals Protect and support long-term stewardship of working farms, forests and aquatic lands: Limit forest and farm conversions; ensure that forest practices are enforced. <p>B: Restore Ecosystem Processes, Structure and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects in existing plans: <ul style="list-style-type: none"> Implement Salmon Recovery 3-year workplan for WRIA 1 Implement the Shoreline Master Program restoration plan coordinated with salmon recovery efforts Quantify impacts from derelict fishing and strategically remove starting with Cherry Point Enhance habitat on forested and resource lands <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Prevent pollution: <ul style="list-style-type: none"> Implement TMDL plans in Drayton Harbor, Whatcom Creek, Lower Nooksack Basin, Lake Whatcom Clean up Drayton Harbor, Birch Bay, and Portage Bays: Implement Shellfish Protection Plans; complete and implement other water quality plans in a coordinated way. Manage stormwater runoff: <ul style="list-style-type: none"> Implement NPDES permits Implement Lake Whatcom, Birch Bay and Bellingham Bay Comprehensive Stormwater Management Plans Use and increase site-appropriate LID techniques Implement stormwater retrofits in Bellingham Prioritize local stormwater actions across existing plans, and improve regulatory compliance for discharges. Manage on-site and septic systems: implement O&M plans with initial focus on marine recovery areas; and Lake Whatcom; Improve regulatory enforcement and compliance for reduction of nutrient and pathogen loading. Prioritize inwater and toxic cleanup sites: Continue to clean up Bellingham Bay (Bellingham Bay Pilot Program). <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long-term strategy: <ul style="list-style-type: none"> Continue to work cooperatively with farming community to enhance habitat on farm land and maintain the agricultural land base. Improve cooperative cross-agency (local, regional, state, federal, tribal) coordination, implementation, and enforcement. Integrate and coordinate nearshore and marine protection and restoration efforts (e.g., pollution clean up, Shoreline Master Program, Cherry Point Marine Managed Area) with watershed recovery efforts (e.g., Critical Areas Ordinances, Instream Flow Action Plan, Salmon Recovery Plan, MRC plans, Shellfish District Protection Plans). Continue to work cooperatively with Canadian neighbors on transboundary projects <p>E: Other</p> <ul style="list-style-type: none"> Continue to support South Fork Chinook Supplementation plan.

Draft Action Area Priorities – San Juan Action Area

Ecosystem benefits provided by action area	Local threats to ecosystem benefits	Priority action area strategies
<p>Unique Species</p> <ul style="list-style-type: none"> Pinto abalone at risk of extinction <p>Unique Habitat Type and Ecosystem Processes</p> <ul style="list-style-type: none"> Marine nearshore: Habitat for 22 populations of migrating Chinook salmon, supporting Orca populations and marine birds Marine nearshore: Extensive forage fish spawning habitat Marine nearshore: 70% of rocky reef habitat in Puget Sound Marine: Rich diversity of habitats and marine life <p>Food and Timber (harvest)</p> <ul style="list-style-type: none"> Boutique agriculture industry Shellfish industry and crab fishery Recreational and tribal fishing and crabbing <p>Recreation and Tourism</p> <ul style="list-style-type: none"> Moran State Park, American & English Camp, Lime Klin Park, Turtleback Mountain, Lopez Hill Local & international tourist destination (whale watching, kayaking, biking, boating) <p>Community and Economy</p> <ul style="list-style-type: none"> Vacation residences Lummi Tribe 	<p>Habitat Alteration</p> <ul style="list-style-type: none"> Marine: Habitat degradation from derelict gear Marine/estuary: Loss of eelgrass habitat; 11 of 27 historical pocket estuaries at risk of degradation Marine nearshore: soft shoreline sensitive to modification <p>Pollution</p> <ul style="list-style-type: none"> Toxics: Potential for localized oil spills; potential for significant pollution from a major oil spill in the Strait Bacterial contamination: Inadequate waste management to handle summer influx of visitors; Boater pollution in bays and marinas; potential problems from poorly treated wastewater from Victoria B.C. outfall that reaches islands Surface water runoff impacts: Localized pollutant loading from stormwater runoff (e.g., Friday Harbor, ferry landings) <p>Freshwater Resources</p> <ul style="list-style-type: none"> Limited water availability for people, farms and fish: Groundwater dependent system is vulnerable to groundwater pollution from septic systems and alterations to surface flow; increased future water demand Saltwater intrusion into drinking water supply (San Juan Island, Lopez) <p>Invasive Species</p> <ul style="list-style-type: none"> Potential negative ecological impacts on native populations: Tunicates, Japanese seaweed, purple varnish clams <p>Artificial Propagation</p> <ul style="list-style-type: none"> Salmon production has potential negative ecological impacts on natural populations and other hatchery populations; Shellfish production: specific local issues not yet identified <p>Harvest</p> <ul style="list-style-type: none"> Fishing and bycatch: commercial and recreational harvest rates of salmon and groundfish may reduce recovery potential; Logging and hunting practices: Local pressures need to be identified <p>Localized climate change impact</p> <ul style="list-style-type: none"> Sea level rise and ocean acidification: immediate and longer-term impacts are not well understood <p>Other</p> <ul style="list-style-type: none"> Population doubles in summer months Increase in year-round population by 2025: 60%, more than 8,000 people 	<p>A: Protect Intact Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Protect high value habitat: <ul style="list-style-type: none"> Acquire priority habitats identified in the Salmon Recovery Plan Implement San Juan Marine Stewardship Area Plan Implement the San Juan Marine Stewardship Area Monitoring Plan Implement San Juan Initiative recommendations Protect rock fish habitat Update and implement regulatory programs: <ul style="list-style-type: none"> Complete Critical Area Ordinance updates and Shoreline Master Program update (San Juan County); Limit alterations on shorelines sensitive to modifications Protect and conserve water flows: Protect existing surface and ground water <p>B: Restore Ecosystem Processes, Structures and Functions</p> <ul style="list-style-type: none"> Implement priority ecosystem restoration projects: <ul style="list-style-type: none"> Implement Salmon Recovery three-year workplan for WRIA 2 Quantify impacts and strategically remove derelict fishing gear <p>C: Reduce Sources of Water Pollution</p> <ul style="list-style-type: none"> Prevent pollution: Maintain local oil spill response programs Manage urban stormwater runoff: Update and implement Stormwater Management Plans and Codes (San Juan County); Implement Low Impact Development for new development <p>D: Work effectively and efficiently together as a system on priority needs</p> <ul style="list-style-type: none"> Coordinated long-term strategy: <ul style="list-style-type: none"> Integrate the objectives of San Juan Marine Stewardship Plan, the Shoreline Master Program and Critical Areas Ordinances so that they are consistent Implement stewardship and outreach programs and provide technical assistance focused on protection and prevention with residents and tourists <p>E: Other</p> <ul style="list-style-type: none"> Implement local aspects of Orca Recovery Plan, including whale watching plan Investigate causes of marine bird declines

QUESTION 4

Where do we start?

The recovery of a healthy Puget Sound ecosystem is akin to a long journey. Now that we have mapped out what we need to do to reach our 2020 goals and near-term actions, we have to organize the steps to ensure we get there. This section of the Action Agenda is a priority near-term work plan that identifies priority actions among all the near-term actions, as well as implementation roles and responsibilities. This is the first time the region will have this type of role clarification.

For the draft Action Agenda, the Partnership has begun to build this workplan by categorizing all of the near-term actions in Question 3 and proposing implementation roles and responsibilities (see attached table). The Partnership will evaluate these near-term actions and any others that may be identified through the public review to create a prioritized list of near-actions with roles and responsibilities. Following completion of the Action Agenda in December, each of the near-term actions will have a work plan with implementation steps and milestones.

Implementation table: All of the near-term actions are listed in the table by Priority A-E and identified under an implementation category: capital project, program, legislation or regulatory change, science, or education and outreach. Implementation roles and responsibilities include:

- Roles for the Puget Sound Partnership
 - Lead (with funding or as the lead implementer)
 - Convene, facilitate, or participate
 - Advocate for funding or policy
- Near-term action lead
- Near-term action partners

The Partnership is planning to update the table through the public review process. A list of implementer abbreviations follows the table.

Next Steps

Prior to the Action Agenda release on December 1st, the Partnership will identify approximate costs of the near-term actions and then develop a ranked list by comparing cost to expected ecological benefits and other factors such as readiness and likelihood of effectiveness. Ecological benefits will be determined using the ecosystem management principles identified in Question 3. These include, but are not limited to actions determined to have high ecological benefit by addressing the highest priority threats facing the Sound; actions that benefit large geographic areas of the Sound; actions that address more than one ecosystem goal; actions that address an urgent problem that would have irreversible consequences; and actions that provide critical information to help the region make strategic decisions in the near future.

In addition, a similar table will be created for each of the action areas to identify roles and responsibilities. Many of the actions listed in the action area profiles are also identified generally or specifically in the Sound-wide near-term action list. Those are that are not currently on the Sound-wide list will be considered for inclusion.

ACTIONS	TYPE	PARTNERSHIP ROLE	LEAD AGENCY	PARTNERS		
		Fund Implement	Convene Facilitate Participate	Advocate funding Advocate policy		
Priority A: Protect Intact Ecosystem Processes, Structure, and Function						
<i>A.1 Focus growth away from ecologically important and sensitive areas by encouraging dense, compact cities, vital rural communities, and protected areas.</i>						
1	Convene a regional planning forum to create a coordinated vision for protecting and restoring Puget Sound ecosystem.	Program (new)	Implement	Convene	PSP	CLC, Quality Growth Alliance, CTED, Local Gov't
2	Prepare a set of criteria to guide decisions for acquiring and protecting high-value, high-risk habitat.	Program (new)	Implement		PSP	DOE, DFW, NMFS, USFWS, TNC
3	Initiate or complete maps for each of the watersheds within the Puget Sound basin.	Science/research/monitoring	Lead fund		PSP	DOE, DFW, CTED, Local gov't, tribes
<i>A.2 Permanently protect the significant intact areas of the Puget Sound ecosystem that still function well.</i>						
1	Purchase high value habitat and land at immediate risk of conversion as identified through existing processes such as the salmon recovery plans and others.	Capital	Lead fund		Funding	Varies by project
2	Advocate for proposed Wilderness designations: a) Support Alpine Lakes Wilderness addition and b) Pratt River Wild and Scenic Designation.	Legislation			Policy	Washington Wilderness Coalition, Sierra Club Federal delegation
3	Convene a task force to develop a recommended mechanism to the Partnership on options to rapidly acquire properties with high ecological value and imminent risk of conversion.	Program (new)	Implement		Funding	PSP TNC, CLC, TPL, NFWF, DFW, tribes
4	Work with the Marine Managed Areas Work Group chaired by DFW to develop recommendations to improve the effectiveness of MPAs by December 2009.	Program (continue)		Participate	Policy	DFW People for Puget Sound, Tribes, Northwest Straights Commission
5	Provide funding and technical assistance to local jurisdictions to update local shoreline management programs by current deadlines with all updates complete by 2013.	Program (continue)			Funding	DOE Local Gov't
6	Provide local governments with guidance regarding a strategy to achieve and measure no-net-loss of ecological function as required by the Shoreline Management Act and the Shoreline Master Program Guidelines.	Program (new), Regulatory change		Convene, Participate		DOE Local Gov't
7	Change Shoreline Management Act statutes and regulations to require a shoreline conditional use permit for bulkheads and docks associated with all residential development; for all new shoreline hardening; for all seawall/bulkhead/revetment repair projects; and for new docks and piers.	Regulatory change			Policy	PSP DOE, Local Gov't, Development interests
<i>A.3 Protect and conserve freshwater resources to increase and sustain water availability for instream and human uses.</i>						
1	Complete setting flow rules in watersheds that currently do not have instream flow rules, with priority given to critical basins or those with known significant problems meeting instream or out-of-stream demands.	Program (continue)			Funding	DOE DFW, Watersheds Planning Groups
2	Begin to update instream flow rules to ensure they are based on current science.	Program (continue)			Funding	DOE DFW, Watersheds Planning Groups
3	Develop and implement the comprehensive basin flow protection and enhancement programs called for in the Puget Sound Chinook Recovery Plan.	Program (new)	Lead fund			PSP DOE, DFW, Watersheds Planning Groups, Utilities, Flood Reservoir Managers
4	Implement the recommendations from the approved water quantity plans under the Watershed Planning Act consistent with the Action Agenda and coordinated with other local restoration and protection efforts.	Program (continue)			Policy	DOE Watersheds Planning Groups, Utilities, Local Gov't, DFW
5	Evaluate and implement solutions to exempt well issues.	Legislation (state), Program (new)		Convene	Policy	DOE Local Gov't, DOH

ACTIONS	TYPE	PARTNERSHIP ROLE			LEAD AGENCY	PARTNERS
		Fund Implement	Convene Facilitate Participate	Advocate funding Advocate policy		
6	Establish local water masters to increase water code compliance and enforcement.	Program (new)		Funding	DOE	Local Gov't
7	Support municipal water systems implementation of Washington Department of Health's Water Use Efficiency Rule, including establishing water conservation goals, metering, and reporting from all municipal suppliers.	Program (new)		Funding	DOH	Utilities, Local Gov't
8	Develop a gray water reuse rule by December 31, 2010.	Program (new)		Policy	DOE	Utilities, Local Gov't
<i>A.4 Protect and support long-term stewardship of working farms, forests, and aquatic lands to help maintain ecosystem functions, sustained quality of life, and improved viability of rural communities.</i>						
1	Purchase development rights or use conservation easements for working lands at immediate risk of conversion.	Capital	Lead fund	Funding	Varies by project	WCC, TNC, CLC, TPL, Local Gov't, Forest groups, Ag Groups
2	Coordinate with the SSB 5248 project by the Ruckelshaus Center that is working to resolve conflicts between agricultural activities and critical areas regulations.	Program (continue)		Policy	Ruckelshaus Center/UW	Local Gov't, Ag groups
3	Support the Conservation Commission's efforts to protect productive agricultural areas consistent with the Action Agenda priorities.	Program (continue)		Funding	CC	Local Gov't, Ag groups
4	Continue to implement existing forest practice plans and regulations consistent with the Action Agenda including the state trust lands HCP, state forest practices rules, and Road Maintenance and Abandonment Plans as informed by the Forst and Fish Plan, and others.	Program (continue)		Funding	DNR	DFW, forest industry, Watershed Planning Groups.
5	Continue ongoing work to resolve conflicts between aquaculture and upland uses	Program (continue), Science/research/monitoring	Convene	Funding	PSP	SARC, Aquaculture industry, environmental groups, tribes, shoreline property owners, DNR
6	6. Implement components of the Washington Department of Natural Resource Aquatic HCP that protect critical habitat.	Program (continue)		Funding	DNR	
<i>A.5 Prevent and rapidly respond to the introduction of new invasive species.</i>						
1	Advocate for national or west coast regional ballast water discharge standards.	Legislation (federal), Regulatory change		Policy	DOE	DFW, NMFS, USFWS, Invasive Species Council
2	Implement the Department of Fish and Wildlife ballast water regulatory compliance monitoring program.	Program (new)		Funding	DFW	Coast Guard, DOE
3	Develop a Puget Sound baseline and database of invasive species to guide control efforts.	Program (new)				
Priority B: Restore Ecosystem Processes, Structures, and Functions						
<i>B.1 Implement and maintain priority ecosystem restoration projects for marine, marine nearshore, estuary, freshwater riparian and uplands.</i>						
1	Implement restoration projects in the salmon recovery three-year work plans and the Estuary and Salmon Restoration Program of the Nearshore Partnership.	Capital	Lead fund	Funding	PSP	Watersheds, NMFS
2	Complete large-scale restoration projects at the mouths of major river systems in Puget Sound where there is a high likelihood of recreating ecosystem function.	Capital	Lead fund	Funding	PSP	Varies by project
3	Complete the Puget Sound Nearshore Partnership's General Investigation in a timely way to help identify and refine nearshore restoration opportunities and move toward implementation.	Program (continue)		Participate Funding	DFW	PSNERP Partners
<i>B.2 Revitalize waterfront communities while enhancing marine and freshwater shoreline environments.</i>						
1	Fund a one year pilot program to develop a coordinated clean up and restoration plan for the Port Angeles Harbor and waterfront.	Capital		Funding	Port	DNR, DOE, tribes, community groups

ACTIONS	TYPE	PARTNERSHIP ROLE			LEAD AGENCY	PARTNERS
		Fund Implement	Convene Facilitate Participate	Advocate funding Advocate policy		
2	Continue Bellingham Bay Pilot Program to clean up Bellingham Bay in a coordinated way.	Program (continue), Capital		Funding	Port	DOE, DFW, Watersheds, Watersheds
<i>B.3 Support and implement stewardship incentive programs to increase private landowners ability to undertake restoration projects.</i>						
1	Implement coordinated incentive and technical assistance programs for private landowners through the Conservation District, WSU Extension, and local governments.	Program (new)		Funding	WCC	Local conservation districts, WSU, local gov't
Priority C: Reduce the Sources of Water Pollution						
<i>C.1 Prevent pollutants from being introduced in the Puget Sound ecosystem to decrease the loadings from toxics, nutrients, and pathogens.</i>						
1	Conduct a focused outreach campaign to reduce pollutants identified in the Phase II of the toxic loading study that are priority threats to Puget Sound.	Education/outreach		Funding	DOE	Local harardous waste management programs
2	Implement Department of Ecology's PBT program to reduce and eventually eliminate the use of all chemicals on the PBT list.	Program (continue)		Funding	DOE	Industry, Vendors, Environmental groups
3	Permanently fund a rescue tug at Neah Bay.	Legislation (federal)		Funding, Policy	PSP	DOE, environmental groups, shipping interests, Coast Guard, Tribes
4	Obtain enhanced delegated authority from the Coast Guard to the Department of Ecology to inspect vessels, investigate incidents, and approve oil spill prevention plans for vessels and facilities.	Regulatory change	Facilitate	Policy	DOE	Coast Guard
5	Petition EPA to establish Puget Sound as a No Discharge Zone to eliminate bacteria, nutrients and pathogens from being discharged into Puget Sound.	Program (new), Regulatory change		Funding, Policy	PSP	EPA, DOE, Ports, Marinas, DOH, Parks, Boat owners
6	Implement existing air management plans consistent with the Action Agenda.	Program (continue)		Funding	DOE	PSCAA
7	Implement Shellfish District Protection plans, Marine Managed Area plans, and related projects to restore water quality at commercial and recreational shellfish areas that are degraded or threatened.	Program (continue)		Funding	Varies	DOE, DOH, DFW, DNR, Local Gov't, Utilities, SARC
8	Implement immediate remediation actions to address Hood Canal's low dissolved oxygen through the Hood Canal Dissolved Oxygen Program.	Capital	Lead fund	Funding	DOH	DOH, DOE, Utilities, Local Gov't Tribes, land owners
9	Implement priority strategies and actions to address low dissolved oxygen in South Sound, targeted areas in the Whidbey Basin, and other vulnerable areas.	Capital		Funding	DOH	DOH, DOE, Utilities, Local Gov't Tribes, land owners
<i>C.2 Use a comprehensive, integrated approach to managing urban stormwater and rural surface water runoff to reduce stormwater volumes and pollutant loadings.</i>						
1	Establish a regional coordinated monitoring program for stormwater, working with the Monitoring Consortium of the Stormwater Work Group.	Program (new), Science/research/monitoring	Convene	Funding	PSP	DOE, EPA, Monitoring Consortium
2	Provide financial and technical assistance to cities and counties to implement NPDES Phase I and II permits.	Program (continue)		Funding	DOE	Local Gov't
3	Assist cities and counties in adopting low impact development stormwater codes for development and redevelopment.	Regulatory change	Participate	Policy	PSP	DOE, Local Gov't
4	Develop and implement low impact development incentives.	Program (new)		Funding, Policy	DOE	CC, Local Gov't, Developers
5	Convene a focus group to evaluate the technical and programmatic solutions for CSOs in the context of improving water quality in fresh and marine water and preserving and recovering the health of Puget Sound.	Program (new)	Facilitate, Convene		PSP	EPA, King County, City of Seattle

ACTIONS	TYPE	PARTNERSHIP ROLE			LEAD AGENCY	PARTNERS
		Fund Implement	Convene Facilitate Participate	Advocate funding Advocate policy		
6	Develop high-level criteria that can be applied in 2009 to determine the highest priority areas around the Sound for stormwater retrofits.	Program (new)	Implement		PSP	DOE, Local Govt
7	Implement road maintenance and abandonment programs for federal and dstate owned lands (including trustlands) as well as private timber lands.	Program (continue)		Funding	DNR	Forest land owners
8	Implement private property stewardship, incentive, and technical assistant programs (e.g. Conservation Districts, WSU Extension, local government programs) that focus on reducing sources of water pollution, particularly in priority areas.	Program (continue)		Funding	WCC	DOE, EPA, Counties, Extension Programs
<i>C.3 Prioritize and complete upgrades to wastewater treatment facilities to reduce pollutant loading.</i>						
1	Ensure that AKART or better standards are met in nutrient sensitive areas such as Hood Canal, South Sound, and the Whidbey Basin.	Program (continue)		Funding	DOE	Utilities
2	Provide funding to local governments, particularly in nutrient sensitive areas, to initiate projects to upgrade wastewater treatment facilities.	Capital		Funding	Public Works Trust Fund	DOH, DOE
3	Support federal facilities in reducing nutrient and pathogens, particularly in already impaired areas.	Capital		Funding	EPA	DOD, COE
<i>C.4 Establish and maintain locally coordinated, effective on-site sewage system management to reduce pollutant loading to vulnerable surface waters.</i>						
1	Develop and implement septic system management plans in each Puget Sound county.	Program (new)		Funding	Health Districts	DOH
2	Revise the current septic system rule no later than December 2010 so that standards are established to address new septic system technologies.	Regulatory change		Policy	DOH	Health Districts
3	Enhance and target septic loan programs to ensure that programs are targeted to areas of with demonstrated loadings issues and vulnerable waters.	Program (continue)		Funding, Policy	DOE	Shorebank, DOH, Health Districts, Gates Foundation
<i>C.5 Prioritize and continue to implement toxic clean up programs for contaminated waterways and sediments.</i>						
1	1. Continue to implement ongoing high priority remediation and clean up projects.	Capital		Funding	DOE	EPA, Responsible Parties
2	2. Refine Ecology's near-term prioritization criteria for site clean ups to be consistent with the Action Agenda and incorporate criteria into toxic clean up grant programs.	Program (modify)	Participate	Policy	DOE	EPA
<i>C.6 Continue to monitor swimming beaches as well as conduct shellfish and fish advisory programs to reduce human exposure to health hazards.</i>						
1	1. Fund the swimming beach monitoring program.	Program (continue)		Funding	DOH	Parks
2	2. Fund the shellfish and fish advisory monitoring programs.	Program (continue)		Funding	DOH	Parks, DNR, Aquaculture Industry
Priority D: Work effectively and efficiently together						
<i>D.1 Conduct planning, implementation and decision-making in an integrated way and from an ecosystem perspective consistent with the Action Agenda.</i>						
1	Coordinate implementation of existing plans and programs that support the Action Agenda, and realign or discontinue plans and programs that conflict with the strategies and actions set forth in the Action Agenda.	Program (modify)	Facilitate		PSP	various
2	Develop and implement the Steelhead Recovery Plan, building on the Chinook Recovery Plan and integrating the Action Agenda priorities.	Program (new)		Funding	NMFS	Salmon Recovery Council, Watershed Planning Groups
3	Use and augment existing species plans to create actionable workplans for imperiled species without existing or specified plans.	Program (new)	Convene		PSP	NMFS, USFWS, DFW

ACTIONS	TYPE	PARTNERSHIP ROLE			LEAD AGENCY	PARTNERS
		Fund Implement	Convene Facilitate Participate	Advocate funding Advocate policy		
4	Continue the integration of habitat, harvest, and hatchery efforts in the salmon recover plans and watershed three-year work plans.	Program (continue)	Lead fund	Funding	PSP	Salmon Recovery Council, Watershed Planning Groups
5	Make the southern resident killer whale plan actionable with assignments and implementation timelines and implement the plan.	Program (modify)		Policy	NMFS	Gov't agencies, tribes, NGO's, others
6	Implement the 2008 Revision to the Pacific Salmon Treaty.	Program (continue)		Policy	DFW	Tribes, Alaska Fish and Game, Governor's Office, Canada
7	Implement the priority recommendations of the Hatchery Scientific Review Group to update state hatcheries to protect wild salmonid stocks.	Program (continue)		Funding, Policy	DFW	Tribes, Hatchery Scientific Review Group
<i>D.2 Support, develop, and integrate climate change programs and adaptation strategies in the Action Agenda to improve implementation effectiveness and regional and local readiness for anticipated changes.</i>						
1	Once the recommendations of the Climate Change Study Groups are available, integrate and coordinate them with the Action Agenda.	Program (new)	Implement		PSP	CIG, Governor's Office
<i>D.3 Build and sustain long-term capacity of partners to effectively and efficiently implement the Action Agenda.</i>						
1	Integrate the work of the Puget Sound Nearshore Partnership (PSNERP), including the Estuary and Salmon Restoration Program, into the Puget Sound Partnership to improve efficiency, coordination and to avoid overlap and duplication of efforts.	Program (modify)	Implement		PSP	PSNERP
2	Fund salmon recovery and other collaborative groups such as Regional Fisheries Enhancement Groups and 2514 watershed planning groups in the near-term to continue existing work.	Program (continue)		Policy	PSP	Planning groups
3	Fund tribes to participate in the refinement and implementation of the Action Agenda, including salmon recovery plans.	Program (continue)	Lead fund		PSP	Tribes
4	Establish a Federal Puget Sound Office	Program (new), Legislation (federal)		Funding, Policy	Federal Delegation	Federal Delegation
5	Consider the recommendations of the Local Integration Task Force and implement appropriate follow up actions.	Program (new)	Implement		PSP	Task Force
6	Support appropriations to federal agencies to implement specific priorities in the Action Agenda.	Program (continue)		Funding	Federal Agencies	Federal Delegation
7	Continue and expand outreach to, and collaboration with, private and nongovernmental interests including, the Puget Sound business caucus, environmental caucus, agricultural groups, shellfish growers, and private landowners in the implementation of the Action Agenda.	Education/outreach	Implement		PSP	All parties
<i>D.4 Reform the environmental regulatory system to protect habitat at an ecosystem scale.</i>						
1	Conduct an institutional analysis of local, state and federal agencies with regulatory authority over upland terrestrial and aquatic habitats, species protection, and water quality.	Program (modify)	Implement		PSP	Federal, State and Local agencies
2	Evaluate the effectiveness of the Clark County pilot of the Office of Regulatory Assistance's iPermit program, and adjust the program as needed. Identify a Puget Sound county and one or more cities in the same watershed in which to further pilot the iPermit program.	Program (new)	Implement		PSP	ORA, Clark County
3	Convene a process and make recommendations to the Partnership about streamlining permitting processes for habitat restoration projects.	Program (new)	Convene		PSP	DFW, DOE, COE, Local Gov't, Salmon Recovery Council

ACTIONS	TYPE	PARTNERSHIP ROLE			LEAD AGENCY	PARTNERS
		Fund Implement	Convene Facilitate Participate	Advocate funding Advocate policy		
4	Convene a process with Corps, NMFS, USFWS, jurisdictions responsible for levee maintenance, and stakeholders to identify and describe conflicts between levee maintenance standards and healthy habitat.	Program (new)	Convene		PSP	COE, NMFS, USFWS, Local Gov't
5	Support funding and legislation to allow state loans to local governments to conduct environmental reviews under SEPA at the planning or programmatic level.	Program (continue), Legislation		Funding, Policy	CTED	DOE
6	Develop, fund, and implement an off-site mitigation pilot project funded through a fee in lieu of construction program in one to three Puget Sound watersheds.	Program (new)	Implement		PSP	DOE, COE, Local Gov't
<i>D.5 Improve compliance with rules and regulations to increase the likelihood of achieving ecosystem outcomes.</i>						
1	Convene a process with federal, state and local jurisdictions to develop an ideal compliance assistance and inspection program that would leverage existing fragmented inspection programs into an integrated program without co-opting the regulatory and enforcement authority of any jurisdiction.	Program (new)	Convene		PSP	DOE, COE, DFW, Local Gov't
2	Provide additional state compliance inspectors to ensure that business producing hazardous waste are complying with regulations.	Program (modify)		Funding	DOE	
3	Support state water quality fee revisions to provide additional compliance staff at Department of Ecology	Program (modify)		Funding	DOE	
4	Provide additional staff at the Department of Ecology to conduct field visits to improve compliance with shoreline and aquatic regulations.	Program (modify)		Funding	DOE	
5	Develop and implement a training program for designers and contractors who work in nearshore areas.	Education/outreach	Implement		PSP	Development Interests, Local Gov't

ACRONYMNS

AKART	All Known and Reasonable Technology
ASP	Amnesic Shellfish Poisoning (also known as Domoic Acid Poisoning)
CAA	Clean Air Act
CLC	Cascade Land Conservancy
CSO	Combined Sewer Overflow
CTED	Washington State Department of Community Trade and Economic Development
CWA	Clean Water Act
DPSIR	Conceptual model reflecting the drivers (D), pressures (P), states (S), impacts (I), and responses (R) of factors effecting valued components of the ecosystem
ENVVEST	Puget Sound Naval Shipyard & Intermediate Maintenance Facility Project ENVironmental InVESTment (www.ecy.wa.gov/programs/wq/tmdl/sinclair-dyes_inlets/sinclair_cd/read_me.htm)
EPA	Environmental Protection Agency
ESA	Endangered Species Act
FPA	Forest Practices Act
GMA	Growth Management Act
HAB	Harmful Algal Bloom
HCCC	Hood Canal Coordinating Council
HCDOP	Hood Canal Dissolved Oxygen Project, Integrated Assessment and Modeling (www.hoodcanal.washington.edu/)
HCP	Habitat Conservation Plan
HPA	Hydraulic Project Approval program

IEA	Integrated Ecosystem Assessment
IM	Information management
MPA	Marine Protected Area
MRC	Marine Resource Committees
NANOOS	Northwest Association of Networked Ocean Observing Systems (www.ccalmr.oji.edu/nanoos/about.php)
NEP	National Estuary Program
NOAA	National Oceanographic and Atmospheric Administration
NOAA	National Oceanic and Atmospheric Administration
NOAAF	NOAA Fisheries
NPDES	National Pollutant Discharge Elimination System
NSC	Northwest Straits Commission
NWFSC	Northwest Fisheries Science Center
NWIFC	Northwest Indian Fisheries Commission
PAH	Polycyclic aromatic hydrocarbons
Parks	Washington State Department of Parks and Recreation
PBT	Persistent Bioaccumulation Toxics
PCB	Polychlorinated biphenyl
PDBE	Polybrominated diphenyl ethers
PSAMP	Puget Sound Assessment and Monitoring Program
PSAT	Puget Sound Action Team (www.psp.wa.gov/downloads/SOS07/2007_PS_Update.pdf)
PSCAA	Puget Sound Clean Air Agency

PSMEM-C	Puget Sound Marine Environmental Modeling Consortium (www.psmem.org)
PSNERP	Puget Sound Nearshore Ecosystem Restoration Partnership (www.pugetsoundnearshore.org)
PSP	Puget Sound Partnership (www.psp.wa.gov) Puget Sound Regional Council
PSP	Paralytic Shellfish Poisoning (also known as “red tide”)
PSRC	Puget Sound Regional Council
RCO	Recreation and Conservation Office (www.rco.wa.gov/rcfb/default.asp).
RFP	Request for proposal
SARC	Shellfish Aquaculture Regulatory Committee
SEPA	State Environmental Policy Act
SMA	Shoreline Management Act
SRFB	Salmon Recovery Funding Board
TMDL	Total Maximum Daily Load
TNC	The Nature Conservancy
TPL	Trust for Public Lands
UGA	Urban Growth Area
USFWS	United States Fish and Wildlife Service
USGS	United States Geological Survey
DFW	Washington State Department of Fish and Wildlife
DNR	Washington State Department of Natural resources
DOE	Washington State Department of Ecology
DOH	Washington State Department of Health
WRIA	Water Resource Inventory Area

DRAFT Financing Chapter: November 6, 2008

Introduction

Puget Sound provides direct economic benefits of more than \$3.5 billion per year to the regional economy, including \$100 million per year in fishing and shellfish revenues, \$3 billion per year from regional tourism and \$490 million per year from boating¹.

The Sound is also an important attraction to the 135,000 companies providing more than 2 million jobs in the region. Polls consistently show that the quality of the environment is an important factor in maintaining the region's economic growth, which outpaces three-fourths of the nation's metropolitan areas.² The billions of dollars in property values for the 2,500 miles of Puget Sound shoreline attest to the real value people place on this resource. There is clearly a lot at stake in maintaining the health of Puget Sound.

The direct out-of-pocket costs of allowing the Sound to continue to deteriorate include:

- Endangered Species Act designation of many more species that are currently in decline, with significant increases in recovery and permitting costs;
- Chronic water quality problems, such as untreated stormwater discharges triggering expensive cleanup and compliance requirements; and
- Substantial cost increases for dwindling water supplies and more expensive wastewater treatment, stormwater management, and flood protection facilities.

Juxtapose this with the economic benefits of a well-executed cleanup and restoration program. First, the economic sectors that feed off the health of the Sound, including tourism, recreation, commercial and tribal fishing, are likely to grow. In addition, most of the money invested in cleanup and restoration projects will flow directly to local economies, where it will support family-wage jobs in construction, restoration design, land management, and green farming and forestry practices. Studies show that each dollar spent on local construction projects has a ripple effect in local economies, driving \$1.50 and \$2.50 in secondary spending on materials and services.

Therefore, while the costs of cleaning up and restoring the Sound will be substantial, they should be compared to the far greater costs of delay and the economic benefits of a thriving Puget Sound.

¹ Washington Department of Ecology. 2008. Focus on Puget Sound.

² Bureau of Economic Analysis. 2008. GDP by Metropolitan Area for 2006 and Revised 2004-2005.

The Financing Approach

The scope and complexity of the work required to reach our 2020 Puget Sound recovery goals requires actions be undertaken incrementally, strategically and comprehensively. The Action Agenda will be adaptively managed with incremental changes in actions based on their cost and effectiveness. The Action Agenda is also strategic, picking actions that align with strategic priorities.

The finance strategy is also built around the same incremental and strategic approach. Funding sources will be expanded as actions are proved and important building blocks are completed. It will also be strategic, ensuring that every dollar, existing and new, is spent to full advantage. Existing funding sources have been screened and evaluated for degree of support to the Action Agenda. The Partnership has also begun to work collaboratively with the agencies that control existing funding programs to ensure that public and private money is optimally aligned to support the Action Agenda. The Partnership has also identified potential new sources of funding, such as enhancements to public loan programs and incentives that leverage maximum environmental benefit and non-traditional sources of funding.

An incremental, strategic approach will ultimately lead to a comprehensive finance strategy that will encompass traditional and non-traditional resources to fully implement all of the actions necessary to reach our 2020 Puget Sound recovery goals.

How Much Will Our Actions Cost?

The Action Agenda recommends several types of actions, including: capital projects; regulatory programs and adjustments; incentives; scientific research, and education and outreach programs. Methods for calculating the costs for each of these actions vary. Some actions, such as estuary restoration projects, have detailed cost estimates already prepared. Similarly, if an action involves an adjustment to an existing program, such as the acceleration of shoreline planning, good cost estimates are available. Other actions, however, do not have detailed cost estimates prepared. In those cases, unit costs of similar work or other methods were used to provide an initial estimate.

Initial cost estimates for implementing essential actions in the 2009-2011 biennium range between \$200 million and \$300 million. This estimate covers the cost of additions or adjustments to existing projects or programs as well as new actions. It does not include the cost of existing programs that are already being implemented.

The estimate will be refined after the draft Action Agenda has been reviewed and after the Leadership Council has provided direction on priority actions for initial

implementation. The cost for implementing the Action Agenda would be shared across state, federal and local governments.

Given that one of the core strategies of the Action Agenda is to continually evaluate program effectiveness and make needed adjustments, the total cost of implementing the Action Agenda through 2020 cannot be calculated. Estimates of required actions will be produced on an ongoing basis.

Existing Spending on Cleanup and Recovery

Existing Puget Sound funding can be divided into three categories. The first is spending that is specifically for Puget Sound cleanup and recovery activities. Those funds can be readily refocused to Action Agenda priorities. The funding for the operation of the Puget Sound Partnership and the 2008 EPA funding for Puget Sound cleanup is a good example of this category. Moving forward, funding in this category should be focused on implementation of priority actions.

The second category is composed of spending that is specifically for Puget Sound cleanup and recovery, but which is spent by an agency other than the Partnership and may be constrained by law for specific purposes. For example, spending on wastewater treatment cannot readily be spent on other activities. This funding should be aligned to the greatest extent possible with the priorities in the Action Agenda. This may involve modifying laws and policies of state, federal and local governments.

The final category is composed of spending that is not directed at Puget Sound but could benefit Puget Sound cleanup and recovery efforts if properly focused. This spending covers activities such as road maintenance, construction site monitoring, and forest road decommissioning. The Partnership will work to identify all of this type of funding and develop technical assistance, education and incentive programs to help focus the associated work in ways that are beneficial to the Sound.

Category 1 Spending Levels: Currently, the first category includes \$60 million per year of spending directly on priorities of the Action Agenda. The major sources include:

Federal	State	Local
<ul style="list-style-type: none"> • EPA Puget Sound appropriations • COE Puget Sound and Adjacent Waters • COE Puget Sound Nearshore Ecosystem Restoration programs • Portions of the NOAA Pacific Coastal Salmon Recovery Fund • Portions of USFWS Cooperative Endangered Species Conservation Fund and other grant programs 	<ul style="list-style-type: none"> • Partnership operations • Specific ongoing programs for Puget Sound • Portions of the State Revolving Fund and Public Works Trust Fund programs • Portions of the state match for the Pacific Coastal Salmon Recovery Fund • Portions of the Washington Wildlife and Recreation Program, aquatic Lands Enhancement Account grants and numerous other grant 	<ul style="list-style-type: none"> • Portions of discretionary local match for state and federal grant programs • Portions of discretionary local funding for habitat, stormwater, water quality, and other environmental projects

Category 2 Spending Levels: Approximately \$150 million a year in this category is currently spent on actions focused on Puget Sound recovery. They include:

Federal	State	Local
<ul style="list-style-type: none"> • Toxics and hazardous waste cleanup programs at federal facilities • Wastewater improvements to federal facilities • Forest road decommissioning and fish passage barrier removal efforts on USFS Lands 	<ul style="list-style-type: none"> • Specific ongoing programs by state agencies impacting Puget Sound • The State Revolving Fund and Public Works Trust Fund programs 	<ul style="list-style-type: none"> • Local funding for habitat, stormwater, water quality, and other environmental projects

Category 3 Spending Levels: The total amount of spending that benefits Puget Sound in this category is uncertain given that the benefits are relatively indirect.

Addressing the Gap

There is both a short-term and long-term gap in additional funding needed to implement the Action Agenda. The Partnership will focus on the following sources to address the short-term gap for the 2009-2011 biennium:

- Utilization of \$30 million to \$40 million in Model Toxics Control Account (MTCA) cash (one-time from fund balance)
- \$10 million in 2010-11 from competitive state and federal grant sources
- \$10 million to \$20 million per year from federal appropriations to the Partnership
- \$15 million per year in local government match
- \$100-150 million per year from state general obligation bond appropriations to the Partnership

This strategy, if fully successful, will result in estimated investments of \$150 million to \$200 million per year in the 2009-11 biennium.

Several new funding sources are being considered to address long-term needs:

- Develop options to leverage infrastructure loan programs to increase available funding and to help distressed communities implement priority projects;
- Expand the use of water quality trading;
- Develop and implement ecosystem service markets to redirect existing and new spending toward more environmentally beneficial and cost-effective compliance and mitigation projects that also fulfill Action Agenda priorities;
- Establish a Puget Sound-wide improvement district to generate and distribute revenue to Action Agenda priorities;
- Establish a dedicated state revenue source to provide a sustained source of funding for Action Agenda projects and programs; and
- Increase federal support for cleanup and restoration through a federal designation of Puget Sound under the Great Waters program, including a specific federal authorization for funding for Puget Sound.

Expanding the Use of Ecosystem Service Markets

Ecosystem service markets are institutions that allow the exchange of environmental credits among buyers and sellers. Most are driven by regulatory requirements, such as mitigation or water quality compliance, and most buyers are developers, industries, or utilities that need credits to address permitting requirements. Many are set up under “cap-and-trade” regulations, which cap pollutants but allow permittees to acquire credits to address their requirements. Sellers include mitigation bankers, conservation organizations, entrepreneurs, and government agencies that agree to produce credits through restoration or cleanup projects.

Ecosystem service markets are evolving rapidly worldwide, driven largely by cap-and-trade approaches to the reduction of greenhouse gas emissions. The financing strategy for the Action Agenda includes two market approaches: 1) the creation of an in-lieu-fee mitigation program; and 2) further development of a water quality trading framework. Initial implementation steps for these programs involve the development of the trading platform, crediting protocols and project implementation strategies.

Roles and Responsibilities

The success of the funding strategy depends on the coordinated action of many individuals, agencies and organizations. The following is a description of the major roles for public and private partners:

Federal Government

- All agencies should identify budget priorities in consultation with the Partnership and seek funding for priority Action Agenda items in the annual appropriations process.
- The Environmental Protection Agency should continue to allocate federal Puget Sound funds in accord with Action Agenda priorities and in consultation with the Partnership.
- Federal grant-making agencies, including the U.S. Fish and Wildlife Service and U.S. Army Corps of Engineers, should consult the Partnership on priorities for grant funding.
- Federal agencies with capital project responsibilities, including the Federal Highway Administration, should use the Puget Sound in-lieu-fee mitigation program to fulfill mitigation needs.
- EPA should support and help fund the creation of water quality trading policy and programs in the Puget Sound region.
- The Corps of Engineers should support the creation of the in-lieu-fee mitigation program.

State Government

- Per existing law, all agencies should identify budget priorities in consultation with the Partnership and seek funding for priority Action Agenda items in the biannual appropriations process.
- State grant-making agencies, including the Salmon Recovery Funding Board, the Department of Ecology and the Recreation and Conservation Office, should consult the Partnership and integrate Action Agenda priorities into grant funding.
- The Partnership should: take the lead in coordinating the implementation of the funding strategy; track progress on achieving funding goals; and modify the strategy as needed to improve performance.
- The Department of Ecology, working with the Partnership and other stakeholders, should create of a water quality trading framework and policies, as well as the development of the in-lieu-fee mitigation program.
- State agencies with capital project responsibilities, including the Department of Transportation, should use the Puget Sound in-lieu-fee mitigation program to fulfill mitigation needs.

Local Government

- County and city governments should support the design and establishment of a Puget Sound improvement district to collect and distribute funding for Action Agenda priorities.
- County and city governments, working with salmon and watershed recovery groups, should prioritize Action Agenda projects in local capital improvement and grant programs.
- County and city governments should modify policies and regulations as needed to support the regional in-lieu-fee and water quality trading programs.
- County and city governments should support Action Agenda priorities in state and federal budget processes.

Private Sector

- Environmental and community groups should support Action Agenda priorities in local, state and federal appropriations processes.
- Environmental groups and land trusts should continue providing private funding for conservation and restoration projects consistent with the Action Agenda.
- Private landowners should continue to take actions on their property that are consistent with Action Agenda priorities.

- The private development community should help develop in the in-lieu-fee and water quality trading programs and should participate actively in the programs once established.

November 18, 2008

DRAFT

Bill Ruckelshaus, Leadership Council Chair
Puget Sound Partnership
P.O. Box 40900
Olympia, WA 98504

RE: Comments on Draft Action Agenda

Dear Mr. Ruckelshaus,

The City of Kirkland commends you and the Leadership Council on your efforts thus far to define the 2020 Action Agenda for Puget Sound. The agenda is an ambitious but achievable blueprint for improving the health of Puget Sound, which will improve quality of life for all its residents.

The Draft Action Agenda mentions land use planning as a measure to protect remaining high quality areas of Puget Sound (Item A.1 in the Implementation Table). In the past this has been accomplished through the State Growth Management Act. This act seeks to concentrate growth in urban areas in order to preserve rural and forested areas. Alterations to this act are needed to further preserve and protect the ecology of urban watersheds that are vital to the health of Puget Sound, yet this is in some sense in direct conflict with the need to accommodate growth in these areas. For example, low impact development (LID) techniques require green/open spaces (beyond green rooftops) in order to successfully reduce and treat stormwater runoff, yet growth targets are such that it is challenging to set aside such areas that are outside of environmental sensitive streams and wetlands. As the Partnership moves forward with efforts to address conflicts such as these, it will be important to have local cities at the table to develop workable ways that we can have both a healthy environment and dense urban centers. The successful balance of these two needs will provide important responses to both climate change, and the need to provide walkable and vital communities that promote human health.

The Draft Action Agenda does not currently include specific actions to monitor and increase forest cover although this is a provisional indicator that will be used to measure performance. Although forest cover is addressed in many other items such as growth management planning and restoration, it may also need to be addressed directly.

Table 1 provides comments on the Implementation Table that is part of Question 4. In general, Kirkland supports creation of incentives for those who are already providing a high level of environmental protection to go above-and-beyond in restoring and protecting natural resources. This is something that would spur innovation and environmental protection at a time when this is economically challenging.

Kirkland is looking forward to participating in PSP efforts to protect and restore Puget Sound. This City has long held environmental preservation and restoration as a value, and has taken important steps through creation of a Surface Water Utility in 1998, adoption of the *2005 Surface Water*

Master Plan, creation and implementation of the *2003 Natural Resources Management Plan*, efforts to comply with the NPDES Phase II stormwater permit, our ongoing update of our Shoreline Master Program, and participation with King County in an Ecology grant project to develop stormwater retrofitting guidelines and projects for the Juanita Creek Watershed among other projects. It is our sincere hope that these efforts will create a strong base for continuing projects and programs to achieve a healthy and vibrant Puget Sound by 2020.

Again, thank you for your efforts thus far. Should you have questions about these comments, or wish further information about Kirkland's programs, please contact Jenny Gaus, Environmental Services Supervisor, at (425) 587-3850 or jgaus@ci.kirkland.wa.us.

Sincerely,
Kirkland City Council

James Lauinger, Mayor

Cc: Daryl Grigsby, Public Works Director
Paul Stewart, Deputy Planning Director
Jenny Gaus, Environmental Services Supervisor
Erin Leonhart, Intergovernmental Relations Manager

Table 1. Comments on Implementation Table

Item	Comment
A.1.3	Make sure that the scale of maps is matched to the level at which actions will take place. For example, the WRIA scale may be too large to guide habitat protection actions of local jurisdictions.
A.1	To accompany alterations to the State Growth Management Act or other land use regulations, provide funding for urban infrastructure to support implementation of GMA density targets.
A.2	Suggest moving item A.2.2.7 "Use development incentives to increase and improve redevelopment within urban growth areas..." to the implementation table, as significant opportunity will be lost if redevelopment occurs without stormwater management and restoration. Tools are available now to do this work at the local level.
A.2.5-7	Strongly support funding and technical assistance for Shoreline Master Program updates, guidance on no-net-loss, and clear regulations on residential development.
A.5	Develop regional (WRIA-level) approach to control of aquatic and terrestrial invasive species. Planning for such coordination should be included in the near-term action list.
B.3.1	Include incentives for urban landowners to vacate and restore riparian and shoreline areas.
C.1.1	Strongly agree that education and awareness are needed. PSP should take the lead on overall awareness, then work with local jurisdictions on specific behavior changes.
C.2.1	Strongly agree that coordinated regional monitoring is needed.
C.2.2	Add incentives for Phase II communities to go beyond the NPDES permit requirements. Although it is important to bring everyone up to the basic level of permit compliance, there are those jurisdictions that can provide leadership on ways that the permit should be modified in the next permit cycle by implementing and evaluating pilot programs.
C.2.2	Put LID language into the Growth Management Act to strengthen local jurisdictions' ability to implement? Provide funding for jurisdiction-level feasibility analysis.
C.2.3	Especially needed in areas where it may not be possible to use LID to completely eliminate the need for more traditional flow control facilities.
C.2.6	Strongly support stormwater retrofits. Retrofits should be conducted as part of overall watershed planning and analysis such as that being done for the Juanita Creek watershed by King County and Kirkland under an Ecology grant.
C.3	Include speedup of efforts to provide sewers to areas within the Urban Growth Boundary.
C.6.1	Strongly support. Also provide funding to trace and eliminate sources of bacterial pollution that are impacting swimming beaches (Juanita Beach)
D.4.1, D.4.3	Strongly support. Permit process is a hindrance to restoration progress in its current state.
D.5.3	Concerned that local jurisdictions should not be asked to pay more in permit fees – that money is needed for permit implementation at the local level. Find other sources of funding to support much-needed staff at Ecology.
D.5.4	Strongly support.



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Van Ingram-Lock, Management Analyst
Daryl Grigsby, Public Works Director

Date: November 6, 2008

Subject: JOIN THE NATION'S LOCAL GOVERNMENT CLIMATE PROTECTION LEADERS BY ENDORSING THE CLIMATE ACTION BLUEPRINT FOR THE NEW PRESIDENT AND CONGRESS

RECOMMENDATION:

It is recommended that Council endorse the Empowering Local Government Climate Action: Blueprint for the New President and 111th Congress.

BACKGROUND DISCUSSION:

Climate Communities and ICLEI USA (International Council for Local Environmental Initiatives) are seeking the endorsement of local elected leaders from across America for their "Empowering Local Government Climate Action: Blueprint for the New President and 111th Congress" (attached). The Blueprint will be released the first week of December 2008 at a series of local media events across the country. Climate Communities members will convene in Washington, DC in mid-December to meet with leaders of the new President's transition team and the incoming Congress to discuss the Blueprint's recommendations.

Local government leadership and action is critical to addressing the climate change challenge. But the local government role in combating climate change and building a green economy cannot be fulfilled without strong national leadership from the President and Congress. The nation must recognize that the climate solution cannot be achieved without local governments. We need a strong federal-local-state partnership on climate change. Federal policies must provide resources to empower local communities across America to play our part in solving the climate challenge.

Endorsing the Blueprint is consistent with Kirkland's membership in ICLEI and climate protection goals, and demonstrates our long-standing tradition of environmental stewardship. For over 20 years, the City has implemented various policies, regulations, and programs to protect the natural environment. This endorsement will encourage federal government's involvement in climate action. With Council's approval, staff will complete the online endorsement form and the City of Kirkland will be noted as a supporter of the Blueprint.

Attachment: Empowering Local Government Climate Action: Blueprint for the New President and 111th Congress

Empowering Local Government Climate Action

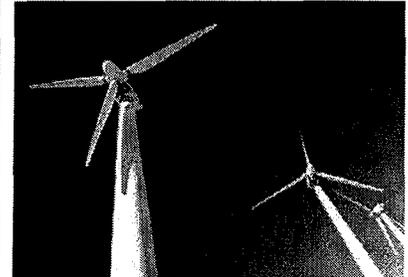
Blueprint for the New President and 111th Congress

Now is the time for local government officials to sign onto this Climate Action Blueprint – we aim to have 500 local officials from across America endorse this action agenda by December 2008. This Blueprint will be officially released with major events in December 2008 and beyond.

Visit our web sites for more information or to sign onto the Blueprint.

www.climatecommunities.us

www.icleiusa.org



Local government action on climate change is essential for America to achieve energy independence, renew economic prosperity and preserve our planet. Federal policies must empower local governments with the tools and resources to solve the climate challenge.

Local government leadership and action is critical to addressing the climate change challenge. Localities are in the best position to foster the innovation and new practices that will achieve building efficiency, cleaner transportation choices, new green jobs and businesses, green infrastructure and more sustainable communities. America's local governments have been at the forefront of the movement to address climate change. Our citizens are demanding action, and continued leadership from localities is essential to solving the issue. Here's why:

- More than 40 percent of greenhouse gas emissions comes from commercial and residential **buildings**. Local governments are best suited to improve building codes, foster community-scale renewable energy, and create other programs and incentives to increase efficiency and reduce energy use in buildings and houses.
- One third of GHG emissions comes from the **transportation** sector. We must improve public transit and engage in more effective land use and transportation planning to reduce gasoline use and emissions. Localities must lead in the transit and smart growth initiatives needed to reduce vehicle use.
- Localities are the **first responders** who must deal with the impacts of climate change including drought, heat waves, water shortages, wildfires, flooding, rising sea levels, changes in weather patterns, public health threats, and economic shifts.
- Local governments can promote the deployment of **green infrastructure** that reduces carbon emissions including community forestry, green roofs, and parks and open space.
- Local governments are uniquely positioned to drive new economic development strategies that create homegrown **green businesses and green jobs** to help America transform our economy and compete in the world.

Addressing climate change from the ground-up with local solutions will help our nation:

- Achieve **energy independence** and **improve national security**;
- Create **new jobs, technology innovation and business opportunities** for a vibrant American economy;
- Build **livable, sustainable local communities**;
- Prepare for and **avoid the costly potential impacts** of climate change; and
- **Preserve our planet** for future generations.

But the local government role in combating climate change and building a green economy cannot be fulfilled without strong national leadership from the President and Congress. The nation must recognize that the climate solution cannot be achieved without local governments. We need a strong federal-local-state partnership on climate change. Federal policies must provide resources to empower local communities across America to play our part in solving the climate challenge.





The world's leading scientists say that we must begin now to reduce U.S. greenhouse gas emissions by 80 percent by 2050 to turn the tide on climate change. Local governments are ready to play our part in reducing emissions and leading the world toward climate solutions, but the President and Congress must take the following steps if we are to achieve these important targets:

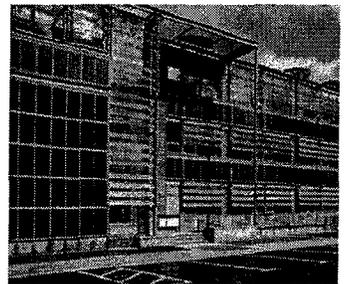
Enact a national climate policy that:

- Sets mandatory limits on greenhouse gas emissions with market-based trading;
- Invests the proceeds from carbon trading into local government actions that reduce emissions through green buildings; transit, smart growth and other VMT reduction strategies; green local fleets and fuels; renewable energy; green infrastructure; and green jobs and businesses; and
- Allows regulated emitters to invest through carbon offsets in local green infrastructure that reduces greenhouse gases, including community forestry, green roofs, and open space and farmland preservation.



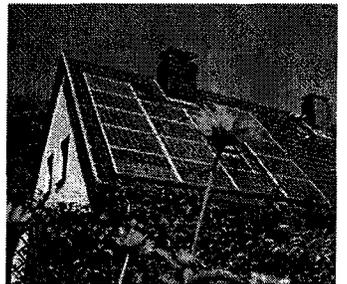
Implement clean energy policies that:

- Reduce building energy use by 30 percent by 2025 by establishing national building efficiency targets and providing annual funding to help local governments meet or exceed the national targets; and
- Produce 25 percent of the nation's power from renewable energy by 2025 through renewable portfolio standards, and measures to overcome interconnection and rate barriers to community-scale renewables.



Invest in local climate capacity through annual federal appropriations that:

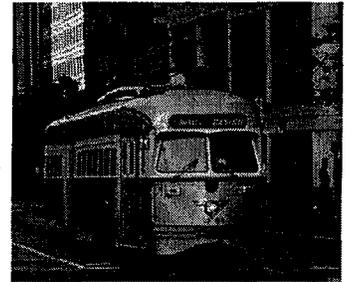
- Fully fund the Energy Efficiency and Conservation Block Grants at \$2 billion annually;
- Provide \$250 million annually for EPA Local Climate Demonstration Grants;
- Provide \$400 million annually for the DOE Clean Cities program to support low emission vehicles and cleaner fuels including alternative fuels infrastructure and plug-in hybrid vehicles; and
- Provide \$100 million annually for the Forest Service's Urban and Community Forestry program.





Transform the nation's transportation strategy by:

- Substantially increasing federal resources for public transit;
- Supporting local initiatives to reduce vehicle-dependence and use including resources for smart growth and transit-oriented development, VMT reduction planning and implementation, walkability programs, bikeways and greenways, infill and brownfields revitalization, and reuse of historic and existing buildings; and
- Funding low-emission busses, clean local fleets, and local alternative fuels infrastructure.



Create American green jobs and green businesses by:

- Creating a \$500 million "Climate Prosperity" demonstration grant program that directs Economic Development Administration, HUD, Small Business Administration, and USDA Rural Development funding to support local economic development strategies that produce green businesses and green jobs;
- Fully funding the Green Jobs Act of 2007 at \$125 million annually to support worker training in emerging manufacturing and hi-tech sectors; and
- Creating an "Energy Conservation Corps" service program to empower young Americans to be part of new clean energy solutions.



Build self-reliant communities that are prepared for climate impacts by:

- Creating a federal interagency task force on Climate Resiliency and Community Preparedness to produce a federal action plan for (a) national research and development; (b) local technical assistance; and (c) new protocols for intergovernmental collaboration at local, state, regional and federal levels;
- Expanding the FEMA Pre-Disaster Mitigation program to \$500 million annually to support local government initiatives to address climate impacts;
- Expanding NOAA's Coastal Zone Management Act and climate programs to directly support local climate adaptation planning and implementation; and
- Fostering and funding local efforts to support families and populations most vulnerable to climate impacts.



Join the Nation's Local Government Climate Protection Leaders and Endorse the Climate Action Blueprint for the New President and Congress

Climate Communities and ICLEI USA are seeking the endorsement of local elected leaders from across America for the "Empowering Local Government Climate Action" Blueprint for the new President and Congress. The Blueprint will be released the first week of December 2008 at a series of local media events across the country. Climate Communities members will convene in Washington, DC in mid-February 2009 to meet with leaders of the new President's climate change team and the incoming Congress to discuss the Blueprint recommendations.

These Founding Leaders helped to develop and endorse the Blueprint--you can join them!

- | | | |
|---|--|--|
| Sacramento County, CA <ul style="list-style-type: none"> Supervisor Roger Dickinson | Savannah, GA <ul style="list-style-type: none"> Mayor Otis Johnson Alderman Larry Stuber | Greenville, SC <ul style="list-style-type: none"> Mayor Knox White |
| Santa Ana, CA <ul style="list-style-type: none"> Mayor Miguel Pulido | Dubuque, IA <ul style="list-style-type: none"> Mayor Roy Buol | James City County, VA <ul style="list-style-type: none"> Supervisor John McGlennon |
| Sonoma County, CA <ul style="list-style-type: none"> Supervisor Valerie Brown Supervisor Paul Kelley Supervisor Mike Kerns Supervisor Mike Reilly Supervisor Tim Smith | Story County, IA <ul style="list-style-type: none"> Supervisor Jane Halliburton | Loudoun County, VA <ul style="list-style-type: none"> Supervisor Stevens Miller Supervisor Andrea McGimsey |
| Stamford, CT <ul style="list-style-type: none"> Mayor Dan Malloy | Annapolis, MD <ul style="list-style-type: none"> Mayor Ellen Moyer | New Kent County, VA <ul style="list-style-type: none"> Supervisor James Burrell |
| Boynton Beach, FL <ul style="list-style-type: none"> Vice Mayor Jose Rodriguez Commissioner Marlene Ross Mayor Jerry Taylor Commissioner Ronald Weiland | Montgomery County, MD <ul style="list-style-type: none"> Councilmember Roger Berliner County Executive Isiah Leggett | King County, WA <ul style="list-style-type: none"> Councilmember Dow Constantine Councilmember Jane Hague Councilmember Larry Phillips County Executive Ron Sims |
| Charlotte County, FL <ul style="list-style-type: none"> Commissioner Richard Loftus | Washtenaw County, MI <ul style="list-style-type: none"> Commissioner Conan Smith | Snohomish County, WA <ul style="list-style-type: none"> Councilmember Mike Cooper County Executive Aaron Reardon Councilmember Dave Somers |
| Gainesville, FL <ul style="list-style-type: none"> Mayor Pegeen Hanrahan | Blue Earth County, MN <ul style="list-style-type: none"> Commissioner Colleen Landkamer | Soos Creek Water and Sewer District, WA <ul style="list-style-type: none"> Commissioner Karen Webster |
| Leon County, FL <ul style="list-style-type: none"> Commissioner Bob Rackleff Commissioner Cliff Thaeil | High Point, NC <ul style="list-style-type: none"> Mayor Rebecca Smothers | Tacoma, WA <ul style="list-style-type: none"> Mayor Bill Baarsma |
| Miami-Dade County, FL <ul style="list-style-type: none"> Commissioner Natacha Seijas | Keene, NH <ul style="list-style-type: none"> Councilor James Duffy Mayor Phillip Dale Pregent | Whatcom County, WA <ul style="list-style-type: none"> County Executive Pete Kremen |
| St. Petersburg, FL <ul style="list-style-type: none"> Councilmember James Bennett Councilmember Jeff Danner Councilmember Karl Nurse | Nassau County, NY <ul style="list-style-type: none"> County Executive Thomas Suozzi | |
| | Westchester County, NY <ul style="list-style-type: none"> County Executive Andrew Spano | |
| | Hamilton County, OH <ul style="list-style-type: none"> Commissioner David Pepper | |

To endorse the Blueprint, visit
www.climatecommunities.us/endorseblueprint.html
 or www.icleiusa.org/blueprint



Climate Communities is a national coalition of local governments seeking national support for local climate action.



ICLEI USA provides expertise, technical support, and innovative tools to help local governments advance their emissions reductions and sustainability goals.

Empowering Local Government Climate Action — Blueprint For The New President & 111th Congress



CITY OF KIRKLAND
 Department of Finance & Administration
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Barry Scott, Purchasing Agent

Date: November 6, 2008

Subject: REPORT ON PROCUREMENT ACTIVITIES FOR COUNCIL MEETING OF NOVEMBER 18, 2008

This report is provided to apprise the Council of recent and upcoming procurement activities where the cost is estimated to be in excess of \$50,000. The "Process" column on the table indicates the process being used to determine the award of the contract.

The City's major procurement activities initiated since October 22, 2008 are as follows:

	Project	Process	Estimate/Price	Status
1.	2008 Water System Improvements - South	Invitation for Bids	\$768,500	Advertised on 11/19. Bids due week of 12/10.
2.	Slater Ave NE/NE 100 th Street Crosswalk Improvements	Small Works Roster	\$50,000	Contractors to be notified on or about 11/14. Bid opening date is to be determined.

Please contact me if you have any questions regarding this report.



CITY OF KIRKLAND
Department of Finance
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sandi Hines, Financial Planning Manager

Date: November 6, 2008

Subject: **Public Hearing on Preliminary 2009-2010 Budget**

RECOMMENDATION:

City Council hold a public hearing on the Preliminary 2009-2010 Budget.

POLICY IMPLICATIONS:

1. A preliminary public hearing on anticipated revenue sources was held on September 16, 2008.
2. Copies of the Preliminary 2009-2010 Budget were available to the public on October 23, 2008.
3. RCW 35A.33 requires that a public hearing on the coming budget period be held on or before the first Monday in December.

BACKGROUND DISCUSSION:

The purpose of this final hearing is to solicit public comment on the Preliminary 2009-2010 Budget as submitted by the City Manager and reviewed by the City Council. The Preliminary 2009-2010 Budget totals \$362,541,179 which represents a 1.34 percent increase from the 2007-2008 Approved Budget. Factors contributing to the change include planned increases in the Water/Sewer and Solid Waste utility funds, increases in salary and benefit costs (including Fire overtime), and increases in fuel, utility and outside jail costs. These increases were mitigated by expenditure reductions and reallocations, additional revenue generation, and rescheduling of capital projects to result in the overall increase of 1.34 percent. The proposed General Fund budget totals \$123,189,118, which is an 8.41 percent increase from the 2007-2008 Approved Budget, due to increases in salaries and wages and accounting changes that moved both expenditures and revenues into the General Fund. To date the Council has held two budget study sessions to review the proposed budget (October 30th and November 4th), with a third session scheduled for November 10th and a fourth session scheduled for November 18th.

No modifications to the preliminary budget have been made as a result of Council's first two study sessions (the final two sessions will occur after the deadline for this memo). Instead, Council has discussed several potential modifications to the preliminary budget and a list of those changes has been created to bring back to the Council at the meeting on November 10th, as well as at the November 18th study session (both occurring after the submission of this memo). For a list of the potential modifications to date, please see the study session packet materials for this (November 18th) meeting. Once Council has given direction on the final modifications to the preliminary budget, the preliminary budget will be revised and a final 2009-2010 budget will be presented to Council for adoption at the December 16th Council meeting.

Along with the list of potential modifications to the biennial budget, the study session packet includes a summary list of future follow-up reports as requested by the Council.

The Preliminary 2009-2010 Budget as proposed by the City Manager is summarized in Attachment A. Also attached are summaries of the Expenditure Reductions (Attachment B) and Service Packages (Attachment C).

At the beginning of the public hearing, staff will provide a summary of Council's discussion to date on the Preliminary 2009-2010 Budget.

CITY OF KIRKLAND 2009-2010 BUDGET OVERVIEW: BY FUND TYPE/FUND

General Government Operating Funds

Fund	2007-2008 Budget*	2009-2010 Budget	Percent Change
<i>General Fund</i>			
010 General	113,636,653	123,189,118	8.41%
<i>Special Revenue Funds</i>			
112 Lodging Tax	561,841	794,424	41.40%
117 Street Operating	9,600,236	9,087,068	-5.35%
122 Cemetery Operating	336,709	199,498	-40.75%
125 Parks Maintenance	2,144,266	2,203,287	2.75%
126 Recreation Revolving	2,111,338	2,816,090	33.38%
Total Special Revenue Funds	14,754,390	15,100,367	2.34%
<i>Internal Service Funds</i>			
521 Equipment Rental	12,367,189	13,971,736	12.97%
522 Information Technology	10,692,354	9,997,823	-6.50%
527 Facilities Maintenance	9,066,324	9,804,443	8.14%
Total Internal Service Funds	32,125,867	33,774,002	5.13%
Total General Government Operating Funds	160,516,910	172,063,487	7.19%

General Government Non-Operating Funds

Fund	2007-2008 Budget*	2009-2010 Budget	Percent Change
<i>Special Revenue Funds</i>			
152 Contingency	2,940,790	2,324,515	-20.96%
154 Cemetery Improvement	549,500	598,528	8.92%
156 Impact Fees	3,709,937	7,165,555	93.14%
157 Park & Municipal Reserve	12,761,743	10,050,552	-21.24%
158 Off-Street Parking Reserve	69,564	217,610	212.82%
159 Tour Dock	99,235	128,485	29.48%
170 Street Improvement	3,222,265	2,613,576	-18.89%
188 Grant Control Fund	285,835	216,458	-24.27%
190 Excise Tax Capital Improvement	22,091,056	24,039,092	8.82%
Total Special Revenue Funds	45,729,925	47,354,371	3.55%

* 2007-2008 Budget as of June 30, 2008.

CITY OF KIRKLAND
2009-2010 BUDGET OVERVIEW: BY FUND TYPE/FUND

General Government Non-Operating Funds (Continued)

Fund	2007-2008 Budget*	2009-2010 Budget	Percent Change
<i>Debt Service Funds</i>			
210 LTGO Debt Service	4,966,356	2,735,723	-44.91%
220 UTGO Debt Service	3,243,334	2,703,581	-16.64%
230 LID Control	9,647	0	-100.00%
Total Debt Service Funds	8,219,337	5,439,304	-33.82%
<i>Capital Projects Funds</i>			
310 General Capital Projects	27,900,860	26,888,649	-3.63%
320 Grant Capital Projects	15,974,263	5,307,113	-66.78%
Total Capital Projects Funds	43,875,123	32,195,762	-26.62%
<i>Trust Funds</i>			
620 Firefighter's Pension	1,382,725	1,635,961	18.31%
Total Trust Funds	1,382,725	1,635,961	18.31%
Total General Government Non-Op Funds	99,207,110	86,625,398	-12.68%

Water/Sewer Utility Funds

Fund	2007-2008 Budget*	2009-2010 Budget	Percent Change
<i>Operating Fund</i>			
411 Water/Sewer Operating	38,471,870	46,479,043	20.81%
Total Operating Fund	38,471,870	46,479,043	20.81%
<i>Non-Operating Funds</i>			
412 Water/Sewer Debt Service	3,758,988	3,510,123	-6.62%
413 Utility Capital Projects	16,360,710	15,828,106	-3.26%
Total Non-Operating Funds	20,119,698	19,338,229	-3.88%
Total Water/Sewer Utility Funds	58,591,568	65,817,272	12.33%

* 2007-2008 Budget as of June 30, 2008.

CITY OF KIRKLAND
2009-2010 BUDGET OVERVIEW: BY FUND TYPE/FUND

Surface Water Utility Funds

Fund	2007-2008 Budget*	2009-2010 Budget	Percent Change
<i>Operating Fund</i>			
421 Surface Water Management	12,094,573	12,515,606	3.48%
Total Operating Fund	12,094,573	12,515,606	3.48%
<i>Non-Operating Fund</i>			
423 Surface Water Capital Projects	10,093,676	6,765,553	-32.97%
Total Non-Operating Funds	10,093,676	6,765,553	-32.97%
Total Surface Water Utility Funds	22,188,249	19,281,159	-13.10%

Solid Waste Utility Fund

Fund	2007-2008 Budget*	2009-2010 Budget	Percent Change
<i>Operating Fund</i>			
431 Solid Waste Utility	17,233,322	18,753,863	8.82%
Total Operating Fund	17,233,322	18,753,863	8.82%
Total Solid Waste Utility Fund	17,233,322	18,753,863	8.82%

TOTAL ALL FUNDS	357,737,159	362,541,179	1.34%
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* 2007-2008 Budget as of June 30, 2008.

Summary of 2009-2010 Budget Reductions by Department/Function

Department/ Function	Reduction Basis ¹	Proposed		Recommended	
		Dollars	%	Dollars	%
GENERAL FUND					
City Council	755,948	62,900	8.3%	45,300	6.0%
CMO	2,975,453	236,676	8.0%	197,910	6.7%
Court	3,333,273	273,887	8.2%	71,850	2.2%
Human Resources	2,177,411	173,345	8.0%	73,915	3.4%
CAO	2,052,545	164,208	8.0%	73,708	3.6%
Parks & Comm. Svc.	14,445,884	1,144,598	7.9%	838,948	5.8%
PW - Engineering	7,350,248	614,838	8.4%	614,838	8.4%
Finance & Administration ²	6,005,762	492,427	8.2%	320,345	5.3%
Planning & Community Development	6,177,602	492,823	8.0%	492,823	8.0%
Police	31,395,371	2,573,007	8.2%	552,018	1.8%
Fire ³	29,555,516	2,381,904	8.1%	307,046	1.0%
Building	4,481,300	321,904	7.2%	131,004	2.9%
SUBTOTAL GENERAL FUND (excl. Non-Dept.)	110,706,313	8,932,517	8.1%	3,719,705	3.4%
Non-Departmental ⁴	3,969,716	72,520	1.8%	70,520	1.8%
SUBTOTAL GENERAL FUND	114,676,029	9,005,037	7.9%	3,790,225	3.3%
OTHER FUNDS					
Streets	8,477,775	678,875	8.0%	509,012	6.0%
Fleet	3,606,956	288,560	8.0%	180,350	5.0%
Facilities	4,616,040	369,424	8.0%	214,533	4.6%
Information Technology	7,191,048	571,130	7.9%	343,838	4.8%
SUBTOTAL OTHER FUNDS	23,891,819	1,907,989	8.0%	1,247,733	5.2%
GRAND TOTAL	138,567,848	10,913,026	7.9%	5,037,958	3.6%

¹ Note that the adjustment basis reflects the preliminary budget target issued to the departments in July 2008.

² Basis excludes functions that are 100% utility funded.

³ Recommended dollars are net of revenue loss from Fire District 41.

⁴ Most costs are fixed: debt service, retiree medical, intergovernmental professional services, interfund transfers, etc.

Summary of 2009-2010 Budget Reductions by Type

Reduction Type	Recommended Dollars
Service Reductions - Staff	2,271,644
Service Reductions - Program	967,404
Travel/Training	200,249
Equipment/Supplies	326,428
Conservative/Efficiency	372,274
Revenue	258,130
Reallocation to Other Funds	641,829
GRAND TOTAL	5,037,958

**City of Kirkland
2009-2010 Preliminary Budget
2009-10 Service Package Requests**

	2009-10 Department Request				2009-10 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
GENERAL FUND															
Nondepartmental															
Flexpass	-	-	98,522	98,522	-	-	-	-	-	-	-	-	-	-	-
Subtotal Nondepartmental	-	-	98,522	98,522	-	-	-	-	-	-	-	-	-	-	-
City Council															
Citizen Survey	-	-	30,000	30,000	-	-	-	-	-	-	-	-	-	-	-
Subtotal City Council	-	-	30,000	30,000	-	-	-	-	-	-	-	-	-	-	-
City Manager															
State Legislative Advocate	-	-	60,000	60,000	-	-	60,000	60,000	60,000	-	-	-	-	-	-
Federal Legislative Advocate	-	-	40,000	40,000	-	-	-	-	-	-	-	-	-	-	-
Marketing - Buy Local Campaign	-	-	15,000	15,000	-	-	-	-	-	-	-	-	-	-	-
Business Retention Consultant	-	-	98,400	98,400	-	98,400	-	98,400	-	-	-	-	98,400	-	-
Increased Intern Support-Economic Development	-	-	8,252	8,252	-	-	-	-	-	-	-	-	-	-	-
Sustainable Economy Study - Phase 2	-	-	30,500	30,500	-	-	30,500	30,500	-	30,500	-	-	-	-	-
Court Security	1.00	158,083	5,500	163,583	-	-	-	-	-	-	-	-	-	-	-
Neighborhood Services Support	0.12	23,843	-	23,843	0.12	23,843	-	23,843	-	-	8,000	-	-	15,843	-
Private Funding for the Arts	-	25,000	-	25,000	-	-	-	-	-	-	-	-	-	-	-
Outside Agency Funding (incl. KPC budgeted in P&CS)	-	-	164,825	164,825	-	-	103,000	103,000	103,000	-	-	-	-	-	-
Subtotal City Manager	1.12	206,926	422,477	629,403	0.12	122,243	193,500	315,743	163,000	30,500	8,000	-	98,400	15,843	-
Human Resources															
Temp HR Analyst & Admin Support	-	-	75,981	75,981	-	-	-	-	-	-	-	-	-	-	-
Subtotal Human Resources	-	-	75,981	75,981	-	-	-	-	-	-	-	-	-	-	-
Parks & Community Services															
Human Services Per Capita Funding	-	300,758	-	300,758	-	-	200,000	200,000	200,000	-	-	-	-	-	-
Environmental Stewardship & Outreach Specialist	-	-	139,245	139,245	-	-	139,245	139,245	-	113,084	-	26,161	-	-	-
Senior Support	-	-	19,000	19,000	-	-	19,000	19,000	-	19,000	-	-	-	-	-
Enhance Wellness Program	-	-	15,000	15,000	-	-	15,000	15,000	-	15,000	-	-	-	-	-
All-City Youth Summit	-	-	4,000	4,000	-	-	4,000	4,000	-	4,000	-	-	-	-	-
Northwest Senior Games	-	-	20,000	20,000	-	-	20,000	20,000	-	20,000	-	-	-	-	-
Boat Launch Bollard Replacement	-	-	22,500	22,500	-	-	22,500	22,500	-	-	-	-	-	-	22,500
Subtotal Parks & Community Services	-	300,758	219,745	520,503	-	-	419,745	419,745	200,000	171,084	-	26,161	-	-	22,500
Public Works															
CIP Administrative Support	1.00	149,032	7,475	156,507	1.00	149,032	7,475	156,507	7,475	-	-	-	-	149,032	-
CIP Project Inspector	1.00	215,066	34,324	249,390	1.00	215,066	34,324	249,390	34,324	-	-	-	-	215,066	-
Neighborhood Traffic Control Program Support	0.50	79,910	-	79,910	0.50	79,910	-	79,910	-	-	79,910	-	-	-	-
Commute Trip Reduction	-	100,000	-	100,000	-	-	-	-	-	-	-	-	-	-	-
Traffic Counts & BKR Model Support	-	50,000	-	50,000	-	50,000	-	50,000	-	-	50,000	-	-	-	-
Transportation Management Plans Support	-	20,000	-	20,000	-	20,000	-	20,000	-	-	20,000	-	-	-	-
CIP Project Outreach Specialist	0.50	104,820	-	104,820	0.50	104,820	-	104,820	-	-	112,706	(7,886)	-	-	-
Subtotal Public Works	3.00	718,828	41,799	760,627	3.00	618,828	41,799	660,627	41,799	-	262,616	(7,886)	-	364,098	-
Finance & Administration															
Special Election Costs	-	-	90,000	90,000	-	-	-	-	-	-	-	-	-	-	-
Document Management System Implementation & Support	-	-	202,154	202,154	-	-	202,154	202,154	-	-	-	-	-	202,154	-
Subtotal Finance & Administration	-	-	292,154	292,154	-	-	202,154	202,154	-	-	-	-	-	202,154	-
Planning & Community Development															
Code Enforcement Officer	0.50	109,035	-	109,035	-	-	-	-	-	-	-	-	-	-	-
Office Technician	0.50	70,543	-	70,543	0.50	70,543	-	70,543	-	-	70,543	-	-	-	-
ARCH Housing Trust Fund (budgeted in Fund 157)	-	-	432,000	432,000	-	-	432,000	432,000	432,000	-	-	-	-	-	-
Comprehensive Plan Update	-	-	45,000	45,000	-	-	-	-	-	-	-	-	-	-	-
Shoreline Master Plan Update	-	-	25,000	25,000	-	-	25,000	25,000	25,000	-	-	-	-	-	-
CLC Agenda Cities Program	-	-	5,000	5,000	-	-	5,000	5,000	5,000	-	-	-	-	-	-
Tree Canopy Analysis	-	-	28,000	28,000	-	-	28,000	28,000	28,000	-	-	-	-	-	-
Subtotal Planning & Community Development	1.00	179,578	535,000	714,578	0.50	70,543	490,000	560,543	490,000	-	70,543	-	-	-	-

**City of Kirkland
2009-2010 Preliminary Budget
2009-10 Service Package Requests**

	2009-10 Department Request				2009-10 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
Police															
Accreditation Expenses	-	33,260	7,500	40,760	-	-	10,000	10,000	10,000	-	-	-	-	-	-
Strategic Plan	-	-	60,000	60,000	-	-	60,000	60,000	60,000	-	-	-	-	-	-
Corrections & NORCOM On-Going Costs (Police share)	4.00	2,931,598	49,200	2,980,798	4.00	2,931,598	49,200	2,980,798	49,200	(720,811)	2,836,033	-	816,376	-	
NORCOM One-Time Costs (Police share)	-	-	587,079	587,079	-	-	470,446	470,446	270,446	200,000	-	-	-	-	
Subtotal Police	4.00	2,964,858	703,779	3,668,637	4.00	2,931,598	589,646	3,521,244	389,646	(520,811)	2,836,033	-	816,376	-	
Fire & Building															
NORCOM On-Going Costs (Fire share)	-	573,923	-	573,923	-	573,923	-	573,923	-	51,792	371,611	-	150,520	-	
NORCOM One-Time Costs (Fire share)	-	-	155,865	155,865	-	-	124,900	124,900	92,926	31,974	-	-	-		
Emergency Preparedness Coordinator	-	-	209,705	209,705	-	-	209,705	209,705	109,705	100,000	-	-	-		
Firefighter - Totem Lake BLS Unit	1.00	207,659	18,975	226,634	1.00	207,659	18,975	226,634	-	(73,257)	286,160	-	226,634		
Personal Protective Equipment	-	70,380	186,390	256,770	-	-	186,390	186,390	138,674	47,716	-	-	-		
Pandemic EMS Protection	-	-	60,689	60,689	-	-	-	-	-	-	-	-	-		
Health, Wellness & Fitness Program	-	-	99,840	99,840	-	-	-	-	-	-	-	-	-		
Prevention Fire Inspector	1.00	141,919	34,963	176,882	-	-	-	-	-	-	-	-	-		
North Finn Hill Station 24 Overtime	-	-	1,065,800	1,065,800	-	-	-	-	-	-	-	-	-		
3 Firefighters for Overtime Reduction	3.00	622,973	49,425	672,398	3.00	622,973	49,425	672,398	36,772	(28,151)	757,740	-	-		
Additional 3 Firefighters for Overtime Reduction	3.00	622,973	49,425	672,398	-	-	-	-	-	-	-	-	-		
Restore Minimum Staffing Levels (1st & 4th Quarter)	-	198,310	-	198,310	-	198,310	-	198,310	-	-	-	-	198,310		
Permit Technician	1.00	151,344	-	151,344	1.00	151,344	-	151,344	-	-	151,344	-	-		
Subtotal Fire & Building	9.00	2,589,481	1,931,077	4,520,558	5.00	1,754,209	589,395	2,343,604	378,077	130,074	1,566,855	-	575,464	-	
GENERAL FUND TOTAL	18.12	6,960,429	4,350,534	11,310,963	12.62	5,497,421	2,526,239	8,023,660	1,662,522	(189,153)	4,744,047	18,275	1,490,240	582,095	22,500
OTHER FUNDS															
Lodging Tax Fund															
Tourism Web Re-design (ExploreKirkland.com)	-	-	30,000	30,000	-	-	30,000	30,000	30,000	-	-	-	-	-	
Tourism Marketing Plan Update	-	-	25,000	25,000	-	-	25,000	25,000	25,000	-	-	-	-	-	
Subtotal Lodging Tax Fund	-	-	55,000	55,000	-	-	55,000	55,000	55,000	-	-	-	-	-	
Street Operating Fund															
Graffiti Program	1.00	147,394	9,436	156,830	1.00	147,394	9,436	156,830	-	12,000	131,705	13,125	-		
Arborist	0.50	103,637	-	103,637	0.50	103,637	-	103,637	-	-	21,367	82,270	-		
Grounds Tech	1.00	155,596	-	155,596	1.00	155,596	-	155,596	-	-	124,475	31,121	-		
Subtotal Street Operating Fund	2.50	406,627	9,436	416,063	2.50	406,627	9,436	416,063	-	12,000	277,547	126,516	-		
Surface Water Management Fund															
Surface Water Utility Engineer	1.00	220,081	4,675	224,756	1.00	220,081	4,675	224,756	4,675	-	-	220,081	-		
Urban Forester	0.50	100,667	-	100,667	0.50	100,667	-	100,667	-	-	-	100,667	-		
Subtotal Surface Water Management Fund	1.50	320,748	4,675	325,423	1.50	320,748	4,675	325,423	4,675	-	-	320,748	-		
Information Technology Fund															
Web Assistant	1.00	164,636	-	164,636	-	-	123,478	123,478	123,478	-	-	-	-		
Videographer	0.50	90,692	-	90,692	0.50	90,692	-	90,692	-	-	90,692	-	-		
MultiMedia Services Intern	-	10,106	-	10,106	-	-	10,106	10,106	10,106	-	-	-	-		
Comcast Audit	-	-	25,000	25,000	-	-	25,000	25,000	25,000	-	-	-	-		
Applications Analyst	1.00	193,502	-	193,502	-	-	-	-	-	-	-	-	-		
Help Desk Position	0.50	79,710	-	79,710	-	-	39,856	39,856	39,856	-	-	-	-		
Subtotal Information Technology Fund	3.00	538,646	25,000	563,646	0.50	90,692	198,440	289,132	198,440	-	90,692	-	-		
Facilities Maintenance Fund															
City Hall Annex M&O	-	48,630	-	48,630	-	48,630	-	48,630	-	-	-	-	48,630		
Inventory Specialist	0.50	94,676	-	94,676	-	-	-	-	-	-	-	-	-		
Lease KCHA Property for Maintenance Center (net)	-	238,576	26,000	264,576	-	238,576	26,000	264,576	26,000	-	232,481	-	6,095		
Maintenance Center Reallocation	-	230,481	-	230,481	-	230,481	-	230,481	-	-	-	202,744	-		
Subtotal Facilities Maintenance Fund	0.50	612,363	26,000	638,363	-	517,687	26,000	543,687	26,000	-	232,481	202,744	54,725		
TOTAL OTHER FUNDS	7.50	1,878,384	120,111	1,998,495	4.50	1,335,754	293,551	1,629,305	284,115	12,000	600,720	650,008	54,725	-	
TOTAL ALL FUNDS	25.62	8,838,813	4,470,645	13,309,458	17.12	6,833,175	2,819,790	9,652,965	1,946,637	(177,153)	5,344,767	668,283	1,544,965	582,095	22,500

**CITY OF KIRKLAND**

City Attorney's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3030

www.ci.kirkland.wa.us**MEMORANDUM**

To: David Ramsay, City Manager

From: Robin S. Jenkinson, City Attorney

Date: November 7, 2008

Subject: Bank of America/Merrill Gardens Mixed Use Project, 101 Kirkland Avenue

RECOMMENDATION:

After reviewing the proposed Alternative Design Plans for the above-referenced project, adopt the proposed Resolution. The Resolution adopts Findings, Conclusions and Decision, and approves the Alternative Design plans.

BACKGROUND:

The Applicant, SRM Development, LLC ("Applicant") applied for design review approval of the Bank of America/Merrill Gardens five-story mixed use project ("the Project") at 101 Kirkland Avenue. On January 7, 2008, the Kirkland Design Review Board voted to approve the project subject to conditions and issued its decision dated January 17, 2008, granting design review approval to the Bank of America project. Citizens for a Vibrant Kirkland (CiViK) ("Appellant"), a Washington non-profit corporation, timely appealed the Design Review Board's Decision to the City Council.

On April 15, May 6, May 20, June 3, July 1, and August 5, 2008, the City Council heard the appeal in an open record proceeding. On August 5, 2008, the City Council adopted Resolution No. R-4707 adopting findings and conclusions and denying design review approval for the Project.

Thereafter, SRM Development LLC and other related corporate entities ("SRM") filed a Land Use Petition and Complaint against the City, King County Superior Court Cause No. 08-29048-4SEA ("Superior Court Action"), based on the Council's adoption of Resolution R-4707. SRM named CiViK as a respondent to the Land Use Petition portion of the Superior Court Action. At SRM's request, the parties agreed to a 60-day stay of the litigation to permit settlement discussions. Thereafter, representatives of SRM, CiViK, and City staff met on a number of occasions to discuss possible modifications of the Project's proposed design to comply with applicable provisions of the Kirkland Zoning Code and the Kirkland Downtown Plan.

On November 4, 2008 SRM, CiViK and the City Council approved a Settlement Agreement, in which SRM agreed to propose, the City Council agreed to consider, and CiViK agreed to support an alternative design for the Project ("Alternative Design"). A set of Alternative Design drawings is attached to this memorandum. The Council should consider the Alternative Design and determine whether it complies with

November 7, 2008

Page 2

the applicable provisions of the Kirkland Zoning Code, the design guidelines for pedestrian-oriented business districts, as adopted in Chapter 3.30 KMC; the Kirkland Downtown Plan, and the Design Principles for Residential Development contained in Appendix C of the Comprehensive Plan for review of attached and stacked dwelling units located within the Market Street Corridor. Project architect Chad Lorentz and Planning and Community Development Director Eric Shields will be available at the Council meeting to answer any questions about specific aspects of the Alternative Design.

If the Council determines that the Alternative Design complies with the requirements listed above, the Council should adopt a resolution approving the Alternative Design, and adopting Findings, Conclusions and a Decision in support of its approval. A recommended Resolution and Findings, Conclusions and Decision are attached to this Memorandum. The Council may make changes to the proposed Findings, Conclusion and Decision if the Council so desires, subject to the following:

If the Council adopts the Resolution approving the Alternative Design, the Superior Court Action will be dismissed with prejudice, with each party to be responsible for its own costs and attorneys' fees. If the Council does not adopt a resolution approving the Alternative Design, the Settlement Agreement becomes null and void, and the Superior Court Action will resume when the stay expires on November 19, 2008.

Please do not hesitate to contact me with any questions.

RESOLUTION R-4731

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING FINDINGS AND CONCLUSIONS GRANTING DESIGN REVIEW APPROVAL OF AN ALTERNATIVE DESIGN FOR THE BANK OF AMERICA/MERRILL GARDENS MIXED USE PROJECT AT 101 KIRKLAND AVENUE. (FILE NO.: DRC 07-0006; APPEAL CASE NO.: APL08-0001)

WHEREAS, the applicant, SRM Development LLC, applied for design review approval of the Bank of America/Merrill Gardens five-story mixed use project ("the Project") located at 101 Kirkland Avenue; and

WHEREAS, on January 17, 2008, the Kirkland Design Review Board issued its decision granting design review approval to the Project; and

WHEREAS, the appellant, Citizens for a Vibrant Kirkland, a Washington non-profit corporation ("CiViK"), timely filed an appeal of the Design Review Board's decision; and

WHEREAS, on April 15, May 6, May 20, June 3, July 1, and August 5, 2008, the Kirkland City Council heard the appeal in an open record proceeding; and

WHEREAS, at the conclusion of the May 6, 2008, portion of the hearing, the City Council voted to reverse the Design Review Board's decision granting design review approval to the Project; and

WHEREAS, Kirkland Zoning Code 142.40.11.b requires that the City Council adopt findings and conclusions; and

WHEREAS, the City Council adopted Resolution No. R-4707 on August 5, 2008, adopting findings and conclusions; and

WHEREAS, SRM Development LLC and other related corporate entities ("SRM") filed a Land Use Petition and Complaint against the City, King County Superior Court Cause No. 08-29048-4SEA, based on the Council's adoption of Resolution R-4707. Pursuant to RCW 36.70C.040(2)(d), SRM named CiViK as a respondent to the Land Use Petition portion of the Superior Court Action; and

WHEREAS, on November 4, 2008, SRM, CiViK and the City Council approved a Settlement Agreement, in which SRM agreed to propose, the City Council agreed to consider, and CiViK agreed to support an alternative design for the Project ("Alternative Design"), a copy of which is attached to and incorporated in this Resolution as Exhibit A; and

WHEREAS, on November 7, 2008, King County Superior Court Judge Catherine Shaffer entered a Stipulation and Order on Remand, which remanded the matter back to the City Council for further proceedings pursuant to RCW 36.70C.140; and

WHEREAS, during its regular meeting on November 18, 2008, the City Council reviewed and considered the Alternative Design and its compliance with the Kirkland Zoning Code, Downtown Plan, and other applicable City codes and requirements;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The Alternative Design for the Project is hereby approved. In support of this decision, the City Council hereby adopts the Findings, Conclusions and Decision attached to and incorporated in this Resolution as Exhibit B.

Section 2. Severability. Should any provision of this Resolution, the Findings, Conclusions and Decision attached hereto, or their application to any person or circumstance be held invalid, the remainder of the Resolution and the Findings, Conclusions and Decision or the application of the provision to any other persons or circumstances shall not be affected.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2008.

Signed in authentication thereof this ____ day of _____, 2008.

MAYOR

Attest:

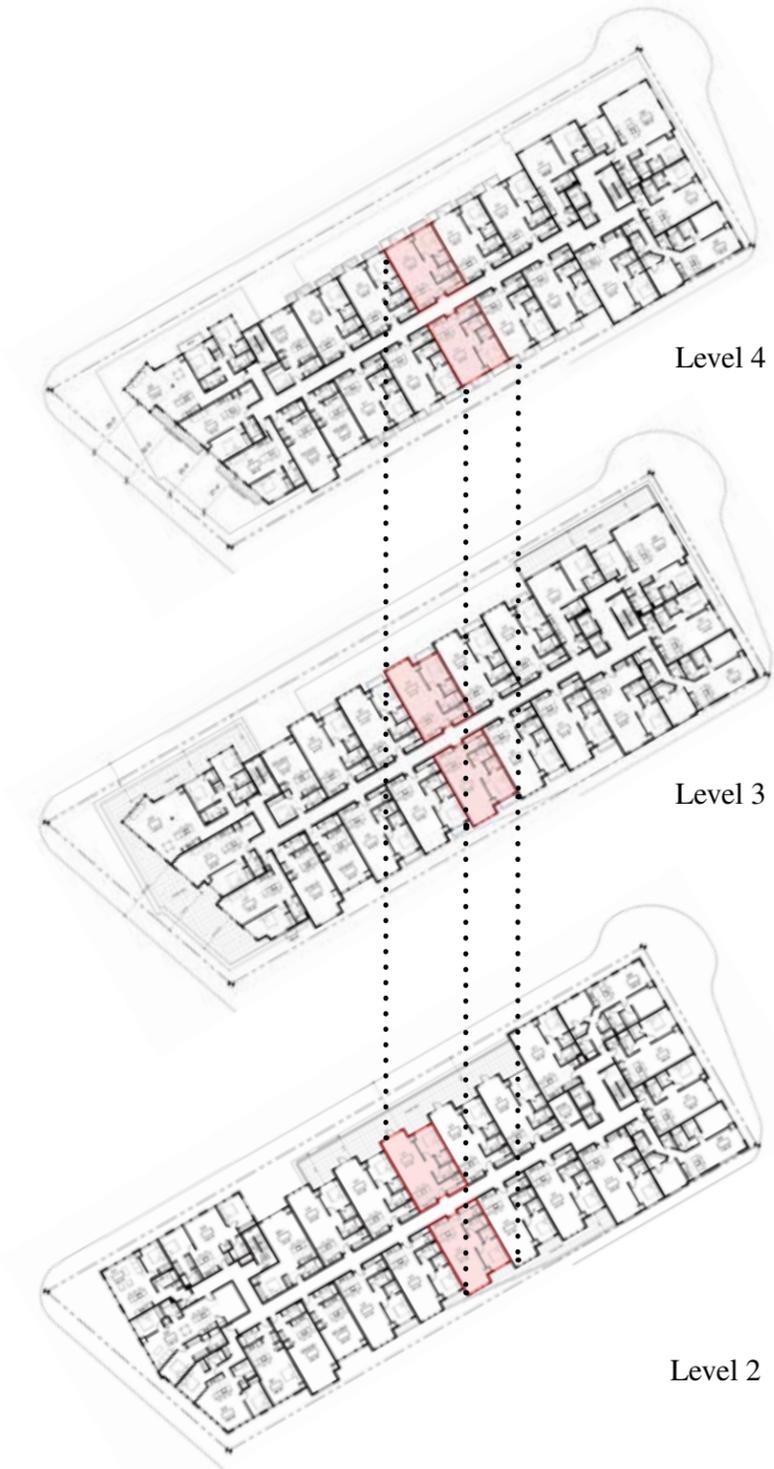
City Clerk

5 STORY ALTERNATIVE - 10.31.08

ER 408/Settlement Purposes Only/Do NOT Distribute



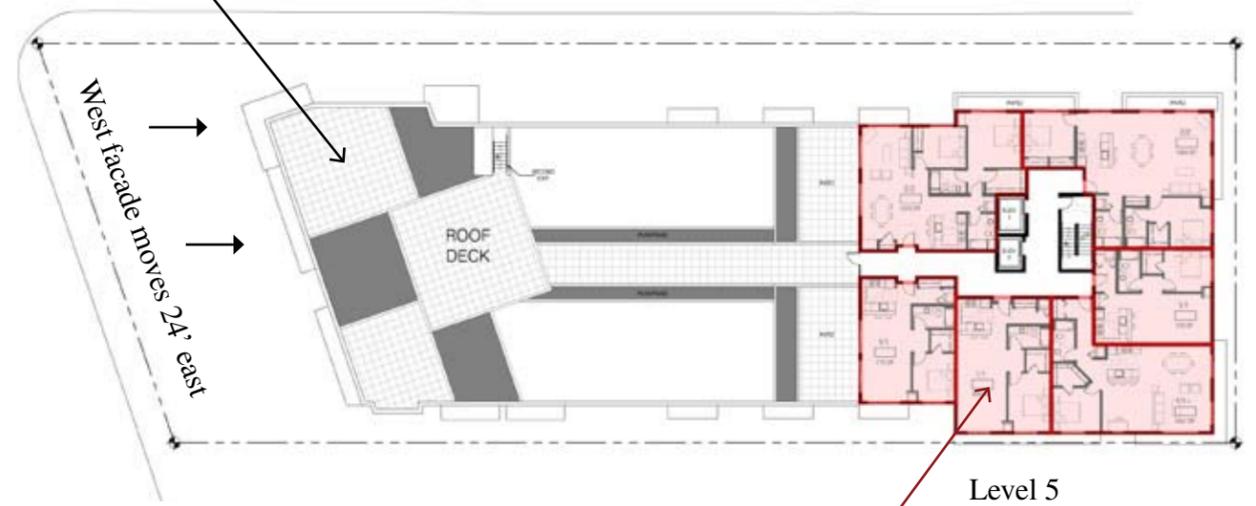
4 Story Settlement Design 10.31.08



remove 6 units from the center of the 4 story building

5 Story Alternative 10.31.08

Re-establish roof top deck



relocate the 6 units to a small fifth level on the east building

Why this alternative?

The 5 story alternative is presented as a way of maintaining the economics of the building, yet providing significant pedestrian enhancements. By simply reallocating 6 units in the body of the 4 story building to a very small 5th floor, most of the west facade can be moved east by 24', the width of these units. This allows for a plaza 25% larger than what was approved by the DRB, restores an 35% larger cafe space onto Lake Street, and creates a lasting public amenity on one of the main corners of downtown Kirkland.

ER 408/Settlement Purposes/Do NOT Distribute

SETBACK/STEP BACK CHART
November 3, 2008

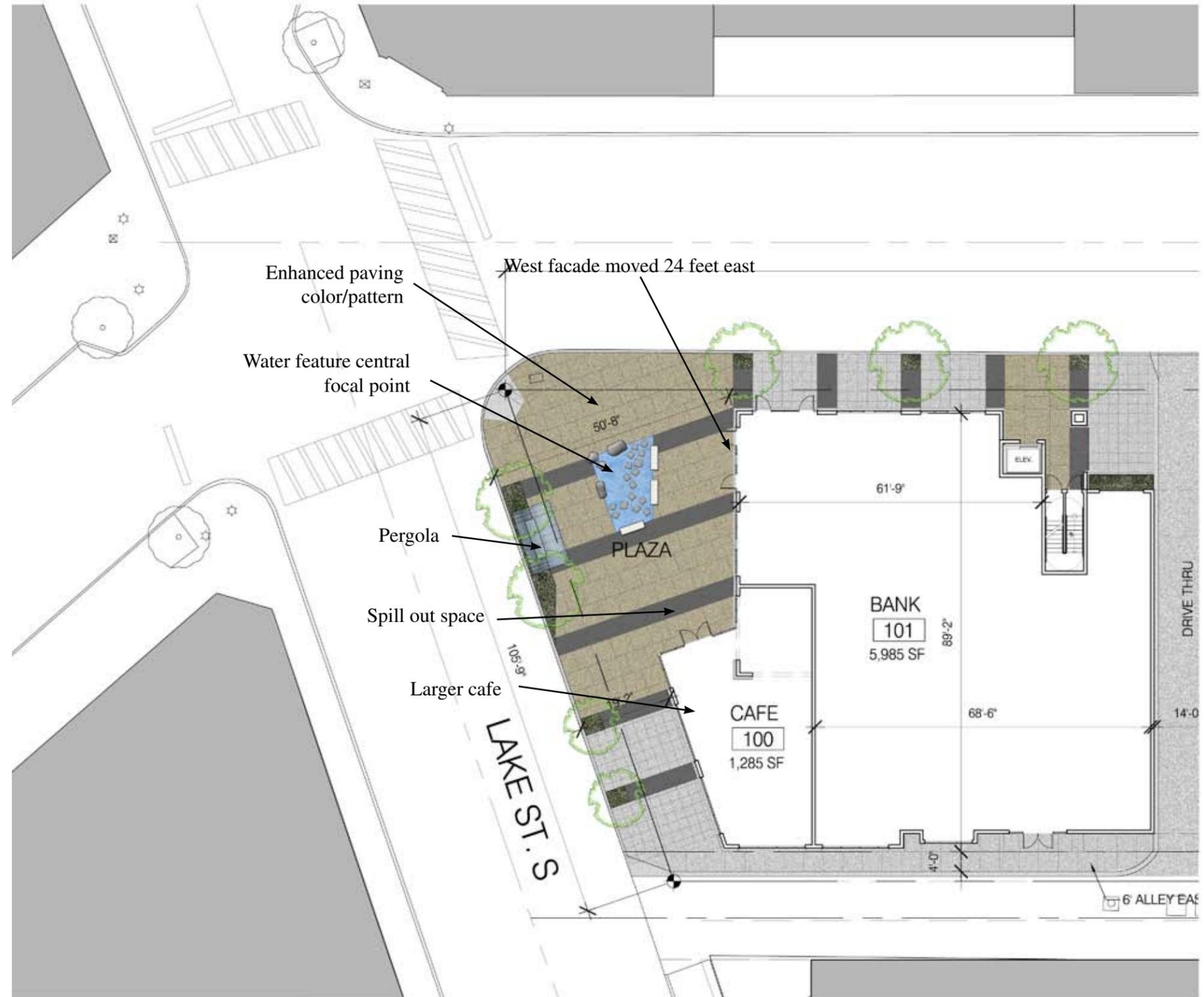
<i>Project Elements</i>	<i>Settlement Design 2 5 story - (10.31.08)</i>
1 st floor setback Lake St* <i>step back</i>	19' - 51' N/A
2 nd floor setback Lake St * <i>step back</i>	12' - 29.5' 0'
3 rd floor setback Lake St* <i>step back</i>	44' - 48' 6' - 37.5'
4 th floor setback Lake St* <i>step back</i>	44' - 48' 0' - 4'
5 th floor setback Lake St* <i>step back</i>	175' - 200' 125' - 150'
1 st floor setback Kirkland Ave* <i>step back</i>	10.5' - 13.5' N/A
2 nd floor setback Kirkland Ave* <i>step back</i>	10.5' - 28' 0' - 16'
3 rd floor setback Kirkland Ave* <i>step back</i>	19' - 28' 8' - 14.5'
4 th floor setback Kirkland Ave* <i>step back</i>	19' - 28' 0' - 4'
5 th floor setback Kirkland Ave* <i>step back</i>	24' 4'
Plaza square footage	2,800 sf
Plaza Dimensions	19' - 51'

*Setbacks are minimum and maximum from edge of curb. The curb edge to the property line is 7'-9" on both Lake Street and Kirkland Avenue.

Plaza Square Footage

Original DRB Approved Design	2,085 SF
Settlement Design 9.26.08	1,375 SF
Settlement Design 10.31.08	1,475 SF
5TH STORY ALTERNATIVE	2,800 SF

With the 5 story alternative the plaza is 25% larger than the original design and 50% larger than any of the settlement designs presented to date. The water feature is again the central feature and the cafe has a significant presence on the plaza with spill out space for tables and chairs. The sidewalk in front of the cafe is over 19' wide and the plaza opens up to nearly 50' on the north end. The pergola and enhanced paving remain.





Aerial Vantage Point of Enlarged Plaza

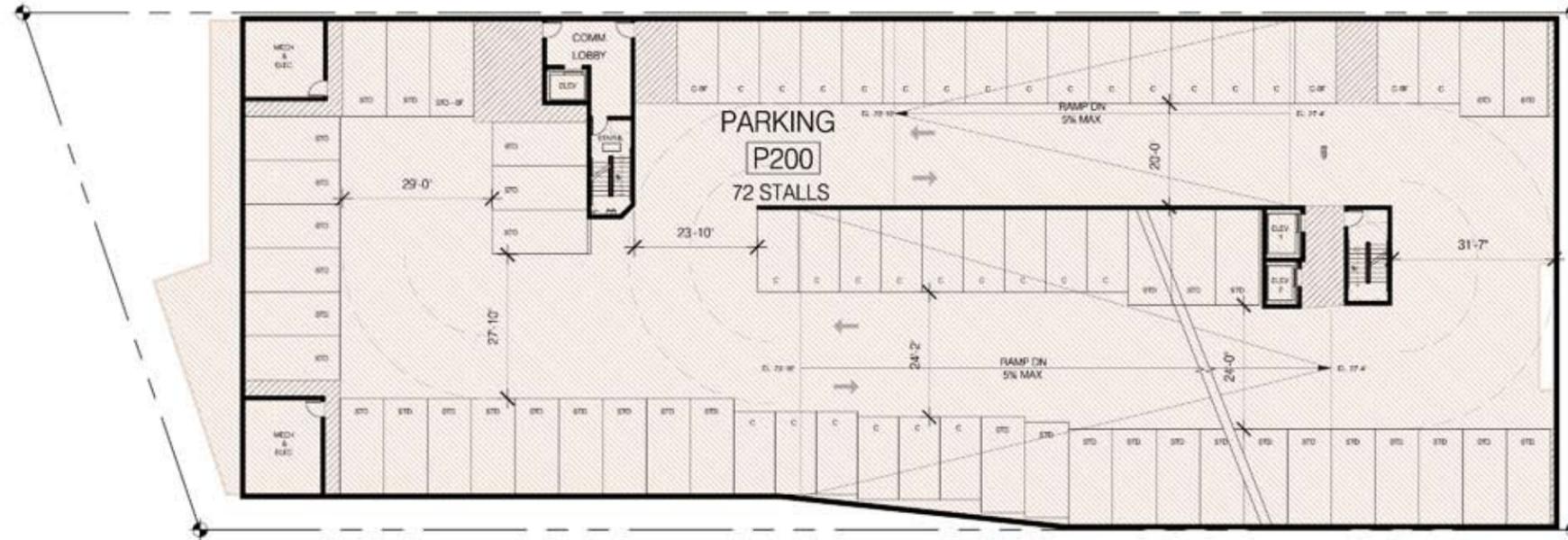


Pedestrian Perspective of Plaza

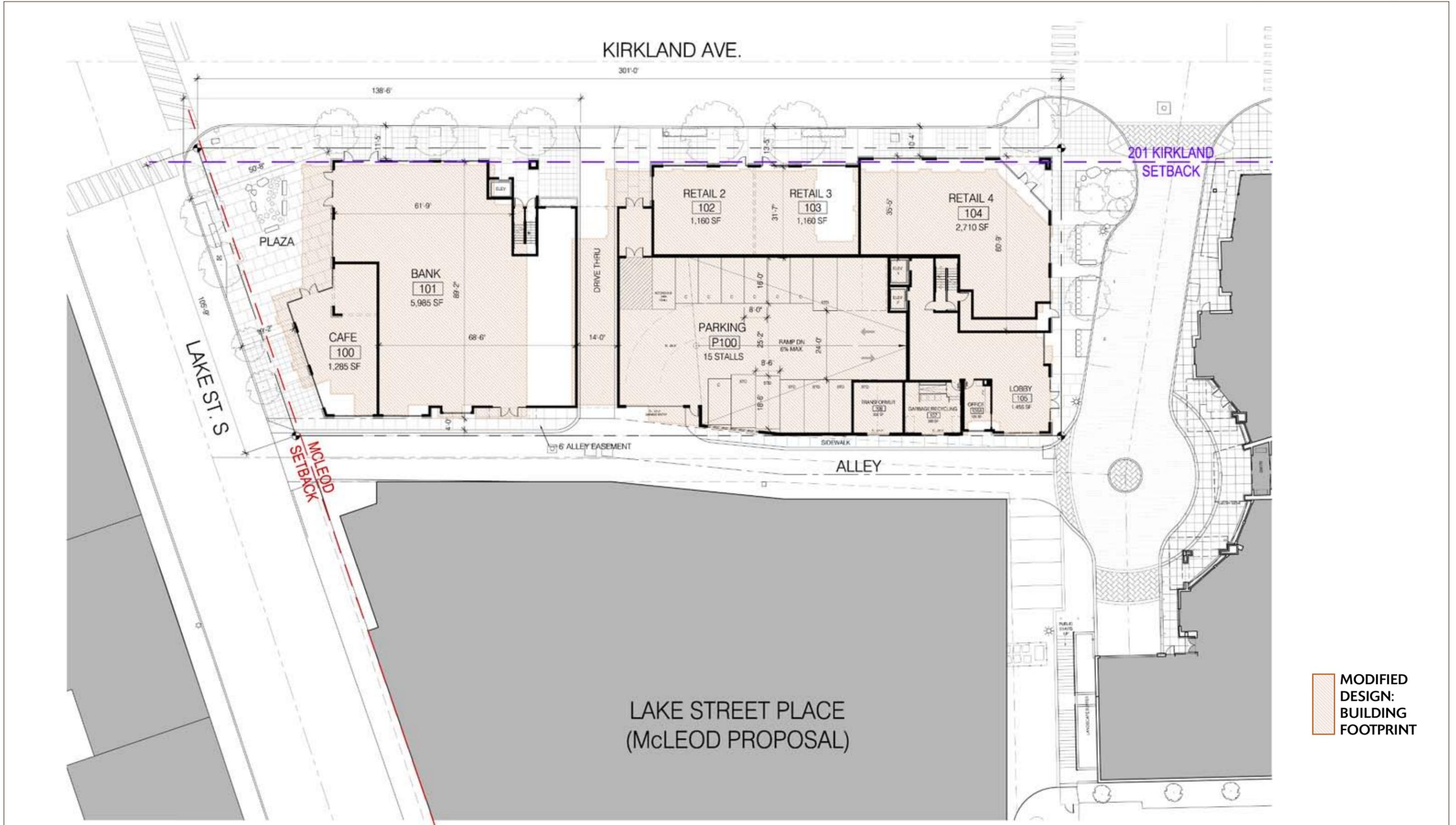
Enlarged Plaza Features

- Moved west facade east 24 feet
- 19' sidewalk in front of cafe
- Plaza 50' widest point
- Interactive water feature reinstated as central focal point
- Cafe has large presence on the plaza with spill out space for tables and chairs
- Pergola over east facing bench
- Enhanced paving with concrete banding and coloring in plaza area
- Roof deck reinstated providing activity at multiple levels along Lake St.





MODIFIED
DESIGN:
BUILDING
FOOTPRINT



5 STORY ALTERNATIVE - 10.31.08

ER 408/Settlement Purposes Only/Do NOT Distribute





Significant setback from Lake Street Place

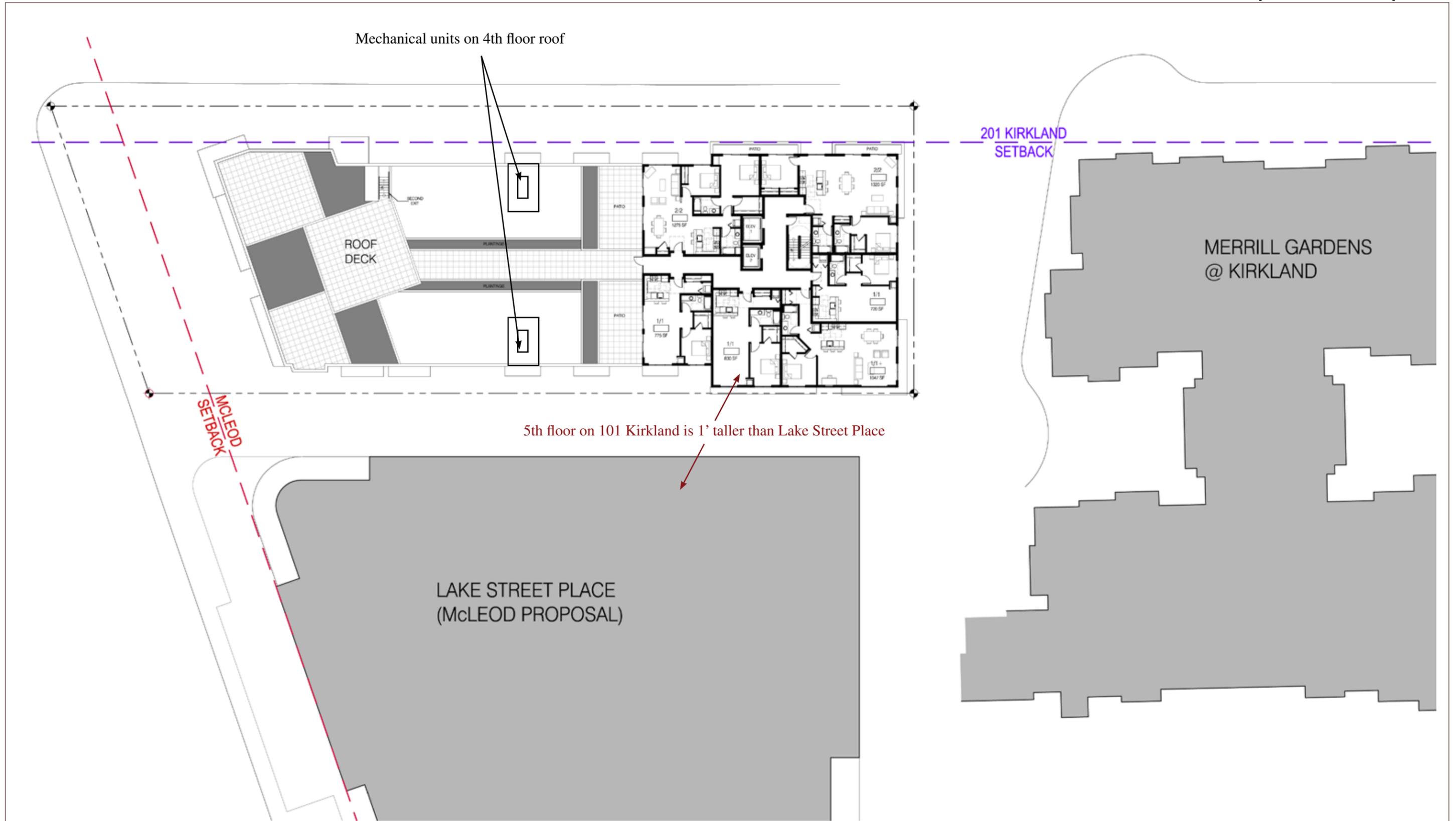
McLEOD SETBACK

201 KIRKLAND SETBACK

MERRILL GARDENS @ KIRKLAND

LAKE STREET PLACE (McLEOD PROPOSAL)







Aerial View of 5 story alternative

5 STORY ALTERNATIVE - 10.31.08

ER 408/Settlement Purposes Only/Do NOT Distribute

EXHIBIT B

BEFORE THE KIRKLAND CITY COUNCIL

APPEAL OF THE DESIGN REVIEW) BOARD DECISION ON THE BANK) OF AMERICA/MERRILL GARDENS) MIXED USE PROJECT AT 101) KIRKLAND AVENUE) FILE NO.: DRC07-00006) <hr style="width: 100%;"/>	APPEAL CASE NO.: APL08-00001 CITY COUNCIL’S FINDINGS CONCLUSIONS, AND DECISION
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I. PROCEDURAL FINDINGS

1.1 The Applicant, SRM Development, LLC (“Applicant”) applied for design review approval of the Bank of America/Merrill Gardens five-story mixed use project (“the Project”) at 101 Kirkland Avenue.

1.2 On January 7, 2008, the Kirkland Design Review Board voted to approve the project subject to conditions and issued its decision dated January 17, 2008, granting design review approval to the Bank of America project. *Design Review Board Decision.*

1.3 Citizens for a Vibrant Kirkland (CiViK) (“Appellant”), a Washington non-profit corporation, timely filed an appeal of the Design Review Board’s Decision. *Letter from J. Richard Aramburu dated January 31, 2008.*

1.4 On April 15, May 6, May 20, June 3, and July 1, 2008, the Kirkland City Council heard the appeal in an open record proceeding. *April 15, May 6, May 20, June 3, and July 1, 2008, Proceedings.* During the course of the appeal, SRM modified the proposed design of the Project to better address applicable provisions of the Kirkland Zoning Code and the Kirkland Downtown Plan.

1.5 On August 5, 2008, the City Council adopted Resolution No. R-4707 adopting findings and conclusions and denying design review approval for the Project; and

1.6 Thereafter, SRM Development LLC and other related corporate entities (“SRM”) filed a Land Use Petition and Complaint against the City, King County Superior Court Cause No. 08-29048-4SEA, based on the Council’s adoption of Resolution R-4707. Pursuant to RCW 36.70C.040(2)(d), SRM named CiViK as a respondent to the Land Use Petition portion of the Superior Court Action.

1.7 On November 4, 2008, SRM, CiViK and the City Council approved a Settlement Agreement, in which SRM agreed to propose, the City Council agreed to consider, and CiViK agreed to support an alternative design for the Project (“Alternative

Design”), a copy of which is attached to and incorporated in these Findings, Conclusions and Decision as Exhibit A.

1.8 On November 7, 2008, King County Superior Court Judge Catherine Shaffer entered a Stipulation and Order on Remand, which remanded the matter back to the City Council for further proceedings pursuant to RCW 36.70C.140.

1.9 During its regular meeting on November 18, 2008, the City Council reviewed and considered the Alternative Design and its compliance with the Kirkland Zoning Code, Downtown Plan, and other applicable City codes and requirements.

2.0 Any Conclusion set forth below that is deemed a Finding of Fact is hereby adopted as such.

II. STANDARD OF REVIEW

2.1 Under KZC 142.35(3), a proposed design may receive design review approval if it complies with the applicable provisions of the Kirkland Zoning Code, the design guidelines for pedestrian-oriented business districts, as adopted in Chapter 3.30 KMC, the applicable neighborhood plans contained in the Comprehensive Plan for areas where Design Review is required (here, the Kirkland Downtown Plan), and the Design Principles for Residential Development contained in Appendix C of the Comprehensive Plan for review of attached and stacked dwelling units located within the Market Street Corridor.

III. FINDINGS OF FACT

3.1 The Central Business District (CBD) 1 zone permits a maximum height of structure of two to five stories above each abutting right of way for attached or stacked dwelling units. *CBD 1 Use Zone Chart KZC 50.12.080.*

3.2 Buildings exceeding two stories in CBD 1 must demonstrate compliance with the design regulations of Chapter 92 KZC and all provisions contained in the Downtown Plan. *KZC 50.10.*

3.3 The Downtown Plan provides guidance concerning the allowed building height in the eight height and design districts within Downtown Kirkland. *Downtown Plan, pages XV.D-9 to XV.D-15.*

3.4 The Downtown Plan provides that the maximum building height in Design District 1 should be between two and five stories with no minimum setback from property lines and requires that stories above the second story should be set back. *Downtown Plan, pages XV.D-10.*

3.5 South of Kirkland Avenue, building forms should step up from the north and west with the tallest portions at the base of the hillside to help moderate the mass of large buildings on top of the bluff. *Downtown Plan, Page XV.D-10.*

3.6 With respect to building heights along Lake Street South, the Downtown Plan, XV.D-10, provides, in pertinent part:

Buildings should be limited to two stories along all of Lake Street South to reflect the scale of development in Design District 2.

3.7 The scale of development of buildings in Design District 2 is a maximum height of one to three stories. *Downtown Plan, page XV.D-12, Design District 2.* The scale of development in Design District 2 across from the subject property is a maximum height of two stories.

3.8 The Downtown Plan, page XV.D-10, provides a fifth story may be considered by the Design Review Board for a building within Design District 1B where:

at least three of the upper stories are residential, the total height is not more than one foot taller than the height that would result from an office project with three stories of office over ground floor retail, stories above the second story are set back significantly from the street and the building form is stepped back at the third, fourth, and fifth stories to mitigate the additional building mass, and the project provides superior retail space at the street level . . .

3.9 The requirements for the design of retail space are established in the Zoning Code regulations for CBD 1, Design Regulations of KZC Chapter 92, the Downtown Plan, and the Design Guidelines for Pedestrian Oriented Business Districts.

3.10 The Project is located within the CBD 1 Zone of the Zoning Code and Design District 1B of the Downtown Plan. *Downtown Plan, page XV.D-10, Figure C-5.*

3.11 The Project Alternative Design proposes a five-story building. *Alternative Design plans.*

3.12 Along Lake Street South, the first and second stories of the building are proposed to be located from 19 to 51 feet from the curb. This will result in a public plaza of 2,800 square feet, nearly 800 feet larger than that approved by the Design Review Board. *Alternative Design plans at A.2 and B.1.* The public plaza will be 50 feet wide at its widest point, and include a 19-foot-wide sidewalk, an interactive water feature as a central focal point, a pergola over an east-facing bench, and enhanced paving with colored concrete banding. The public plaza is proposed for the corner of Kirkland Avenue and Lake Street South, one of the most prominent corners in the CBD.

3.13 Along Lake Street South, the third and fourth stories are proposed to be set back between 44 and 48 feet from the curb, and stepped back between six and thirty-seven-and-a-half feet from the edge of the second story. *Alternative Design plans at page A.2.*

3.14 A bank is proposed to occupy the northwest corner of the site and a drive through banking facility would be located within the building, so that automobiles enter on the alley and leave the building on Kirkland Avenue. *Alternative Design plans, page C.3.*

3.15 The four proposed retail spaces range in size from approximately 1,285 square feet for a café along Lake Street, two retail spaces along Kirkland Avenue at 1,160 square feet for each, one retail space along Kirkland Avenue at 2,710 square feet, and approximately 5,985 square feet for the bank. *Alternative Design plans at page C.3.*

3.16 Banking and related financial institutions are an allowed use in the CBD 1 zone, and a drive-through bank is allowed if a drive-through bank as existed on the site since prior to January 1, 2004. *KZC 50.12.025.* A Bank of America branch has been located on the Project site since prior to January 1, 2004.

3.17 Restaurants, delicatessens, and specialty shops, including fine apparel, gift shops, art galleries, import shops, and the like constitute the use mix and image contemplated in the Vision for Downtown. These uses provide visual interest and stimulate foot traffic and thereby provide opportunities for leisure time strolling along Downtown walkways for Kirklanders and visitors alike. *Downtown Plan, Page XV, D-4.*

3.18 *KZC 50.12.080, Special Regulation 1* requires that retail uses occupying the street level floor of a building fronting on Lake Street South have a minimum depth of 30 feet.

3.19 The stories above the second story of the project are set back significantly from the street and south of Kirkland Avenue the building form is stepped back at the third, fourth, and fifth stories to mitigate building mass. *Alternative Design Plans at page E.1.*

3.20 The proposed Project building form steps up from the north and west with the tallest portion at the easternmost part of the structure, and when considered against other existing and approved structures on adjacent and nearby parcels, the building forms step up from the north and west with the tallest portions located at the base of the hillside to help moderate the mass of large buildings on top of the bluff. *Alternative Design Plans at page E.1.*

IV. CONCLUSIONS AS TO SUPERIOR RETAIL SPACE

4.1 In order for the Project to include a fifth story, all of the six criteria set forth in the Downtown Plan must be met. The Council concludes that these criteria are met.

4.2 Banks are listed in the Use Zone Chart as permitted uses in the CBD 1. Drive-through facilities for banks are permitted if they have existed since before January 1, 2004. Because a Bank of America branch has been located at the Project site since prior to January 1, 2004, a drive-through bank facility is permitted at the Project site under the Kirkland Zoning Code.

4.3 Banking and related financial services and/or drive-through facilities, in and of themselves, do not qualify as superior retail space sufficient to justify a fifth story. As explained in the Downtown Plan, page XV.D-6:

The desired pedestrian character and vitality of the core area requires the relatively intensive use of land and continuous compact retail frontage. Therefore, automobile drive-through facilities should be prohibited. Similarly, office uses should not be allowed to locate on the ground level. These uses generally lack visual interest, generate little foot traffic, and diminish prime ground floor opportunities for the retail uses that are crucial to the ambiance and economic success of the core area.

The attractiveness of the core area for pedestrian activity should be maintained and enhanced. . . .

4.4 The Alternative Design considered as a whole, however, meets the superior retail space requirement for several reasons. The Alternative Design provides that over half of the commercial frontage along Lake Street South, and nearly two-thirds of the frontage along Kirkland Avenue, will be retail space, including a café with spill-over space for outdoor tables and chairs, and a significant public plaza containing an interactive water feature and a pergola. The combination of the amount and dimensions of retail space, combined with the significant public plaza and pedestrian amenities, constitute superior retail space warranting approval of the limited fifth story over the eastern portion of the structure.

V. CONCLUSIONS AS TO HEIGHT ON LAKE STREET SOUTH

5.1 The Alternative Design also complies with the requirements of the Downtown Plan regarding height along Lake Street South.

5.2 The Downtown Plan states that “buildings *should* be limited to two stories along all of Lake Street South to reflect the scale of development in Design District 2.” The term “should” is directive and not mandatory. Nevertheless, the Downtown Plan

uses different and stronger language in describing height along Lake Street than it does when describing height in other locations. For example, the next sentence of the Plan, which refers to buildings on other streets in Design District 1, says that the height of these buildings should only be limited “along street frontages.”

5.3 Given this difference in wording, the Downtown Plan means that “buildings” that are “along” Lake Street South should be limited to two stories, and by using the word “should” the Plan requires an applicant who wishes to include a third or fourth floor to demonstrate that exceptional circumstances justify such additional height

5.4 The Downtown Plan does not, however, require that an entire building located along Lake Street South be limited to two stories, regardless of the depth of the building, because the purpose of this limitation is to “reflect the scale of development in Design District 2.” Under the Downtown Plan, it is intended that buildings abutting Lake Street South should create the impression, from a pedestrian’s perspective, of being a maximum of two stories in height. This can be achieved by setting back the building a significant distance from the right-of-way, and by “stepping back” the upper stories sufficiently from Lake Street South to minimize their visibility.

5.5 The Alternative Design substantially increases both the setbacks and step backs from Lake Street, beyond those presented in previous proposals, to satisfy the two-story height limitation along Lake Street. Further, the Alternative Design has sufficiently increased both the setbacks and step backs of the project to mitigate the scale and mass of the proposed third, fourth and fifth stories.

VI. DECISION

For the reasons set forth in the foregoing Findings and Conclusions, the Alternative Design for the Project is hereby APPROVED.

Decision adopted by the Kirkland City Council November 18, 2008.

MAYOR



CITY OF KIRKLAND
Department of Finance & Administration
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
 www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sandi Hines, Financial Planning Manager

Date: November 7, 2008

Subject: **2009 to 2014 Capital Improvement Program Follow Up**

RECOMMENDATION:

City Council review the revised Preliminary 2009 to 2014 Capital Improvement Program (CIP).

BACKGROUND DISCUSSION:

The Preliminary CIP for 2009 to 2014 was presented to Council at a study session on August 5 and a public hearing was held on September 2. At this time Council has not made any modifications to the preliminary CIP; however, there was a request to continue discussion regarding the CIP as part of the 2009-2010 budget process in order to review the operating and capital budgets together. One item that is pending in the operating budget discussion that affects the CIP is the funding of the Neighborhood Connections Program. The revised Preliminary 2009-2014 CIP discussed in this memo and its attachments includes the Neighborhood Connections Program as originally proposed, pending any decision by Council at its study sessions on November 10 and 18.

Although Council has not made any modifications to the preliminary CIP to date, there has been one major external factor that necessitates modifications to the CIP. Impact fee collections and inflation rates were presented to the Council at their October 21 meeting, highlighting that revenue was coming in significantly under the projections made based on the impact fee study done in 2007 and that this revenue shortfall would have a direct impact on the transportation and parks CIP projects. As of the writing of this memo, revenue continues to fall significantly short of the projections made in 2007. The following table demonstrates the decrease in revenue.

	Old Fee Structure and Budget		Current Fee Structure and Budget			Revised Budget
	2007 Budget	2007 Actuals	2008 Budget	2008 Year-to-Date	2008 Estimate	2009 Projection
Transportation						
Fee per Trip	\$877		\$3,398			\$3,787
CIP	600,000	613,566	1,692,400	638,312	650,000	725,000
Total Transportation	600,000	613,566	1,692,400	638,612	650,000	725,000
Parks						
SF Fee per Dwelling Unit	\$612		\$3,621			\$3,845
Debt Service*	0	0	319,310	179,144	205,000	315,000
CIP	75,000	108,400	300,000	0	0	0
Total Parks	75,000	108,400	619,310	179,144	205,000	315,000

* Per the 2007 Impact Fee study, Park impact fees are committed to paying 100% of the McAuliffe Park debt service and 89.3% of the Teen Center debt principal.

Transportation

The Transportation impact fee increased significantly through the 2007 study and was expected to bring in almost three times the amount of revenue. As shown in the preceding table, the 2008 estimate is almost equal to the amount collected under the old fee structure due to the decline in development activity. This decrease has a significant effect on the 2009-2014 CIP and necessitates delaying projects to future years (see Attachment A for revised 2009-2014 CIP summaries). With the delay of Transportation projects, and the new model devised by Public Works to allocate all available labor resources to CIP projects, it was necessary to increase the number of projects in the Water/Sewer Utility for 2009 and 2010 to take advantage of the available time. Summarized below are the impacted projects:

- Three Intersection Improvement projects on NE 85th (at 132nd Avenue, 114th Avenue and 124th Avenue) – The planned 2009 impact fee funding for these three current projects is being delayed until 2010. The projects retain their Surface Water and reserve funding and will continue to be completed, potentially at a slower pace until more funding is received in 2010.
- 124th Avenue NE Roadway Improvements (North Section) – This project will be put on hold once the necessary right-of-way acquisition is complete due to limited labor resources and other projects taking higher priority. Transportation impact fee funding of \$672,000 has been removed from 2009 and the remaining \$224,000 budget is from Surface Water fees.
- NE 120th Street Roadway Extension (East Section) – Additional funding is needed for right-of-way acquisition in order to complete this project and it is a high priority due to federal grant funding opportunities. The \$672,000 of transportation impact fees removed from the 124th Avenue project have been applied to this project in 2009.
- North Reservoir Seismic Upgrades & Recoating – This is a current project that started in 2005 as a repainting project, and has grown in scope to include recoating, rehabilitation, and seismic upgrades. Additional funding is being added in 2009 (\$1.45 million) and 2010 (\$1.11 million) for the increased scope of work. This project is partially funded by the City of Redmond, so Kirkland's share from utility rate revenue is \$765,000 for 2009 and \$587,000 for 2010.
- Third Street Watermain Upgrade – This is a new project that is being added due to the timing of King County rebuilding their pump station and needing to move the watermain. This gives the City the chance to upgrade this main from 8" to 12".
- Sanitary Sewer Telemetry System Upgrade – This project was planned for 2012 in the preliminary CIP and is being recommended to move up to 2009 in order to take advantage of the available labor resources freed up by the delay of the transportation projects.
- Inflow and Infiltration Reduction Program – This project was listed as unfunded in the preliminary CIP and is being recommended to move to the funded category at a cost of \$200,000 in 2009. Although the project was listed at a cost of \$1 million in the unfunded category, only \$200,000 is needed to complete the project recommended for 2009. Inflow and infiltration reduction projects are needed throughout the City as an ever present issue and will be scheduled into the CIP as they are identified.

A long term impact of the reduced impact fee revenue is on the projection of available funds for the full six-year CIP. By lowering the base amount in 2008 from which inflation is applied, the other years of the CIP are substantially reduced as well. The revised 2009-2014 CIP is balanced within the updated transportation impact fee projections for 2009 – 2011; however, starting in 2012 the total amount of projects planned that need impact fee funding is over budget. Given that impact fees are paid by development (growth) and the projects that are funded by impact fees are for new capacity to meet the needs of growth, it correlates that the network would not need to be built as quickly over the next six year period and projects could be delayed. Since the 2009-2014 CIP will be revisited during 2009 (the halfway update) and a new CIP will be done in 2010 (for 2011-2016), this revised CIP is presented out of balance. During 2009 and 2010 we will have a more timely assessment as to development and the rate at which impact fees are coming in order to plan for the

November 7, 2008

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latter years of 2012 and beyond. If impact fees exceed estimates during that time, they can be used toward balancing the outer years or to reprioritize projects to begin earlier.

Parks

The 2007 impact fee study updated the categories of Parks projects eligible to be funded by Park impact fees. This included past projects for which there was outstanding debt – McAuliffe Park and the Teen Center. McAuliffe Park debt service was 100% eligible to be funded by impact fees and the decision was made to switch the funding source of the debt service to parks impact fees from Real Estate Excise Tax (REET 1). Similarly, the Teen Center debt service principal was 89.3% eligible to be funded by parks impact fees. Based on the needs of the two debt service payments, and the reduced number of capacity CIP projects, it was decided that the debt service would be the first call on any park impact fee revenue that was received. The Preliminary 2009-2014 CIP for Parks included an amount of \$300,000 from park impact fees that was projected to be received in addition to the amount needed for the debt service. All of the \$300,000 was included as one funding source for the Park and Open Space Acquisition Program project (CPK0131 – the other funding source is the new King County Parks Levy funding). The current balance of the Park and Open Space Acquisition project as of 2008 is the \$118,000 of King County levy funding. As illustrated in the previous table, the park impact fees for 2008 will be less than the amount needed to cover the debt service, with no revenue remaining for CIP projects. Staff recommends revising the 2009-2014 CIP to remove the planned \$300,000 of impact fee funding for the Park and Open Space Acquisition project for all six years. A revised Parks CIP summary is included as Attachment A.

The table below summarizes the changes from the Preliminary 2009-2014 CIP presented to Council in August and the revised CIP.

Revised Preliminary 2009-2014 CIP (\$ millions)							
Category	2009	2010	2011	2012	2013	2014	Total
Transportation							
Preliminary	7,412	3,419	5,078	10,928	9,681	10,481	46,999
Revised Prelim.	6,310	4,642	5,078	10,928	9,681	10,481	47,120
Water/Sewer							
Preliminary	2,801	565	1,450	4,019	9,936	8,796	27,567
Revised Prelim.	4,701	1,674	1,450	3,626	9,936	8,796	30,182
Parks							
Preliminary	2,318	1,531	1,597	1,666	1,739	1,795	10,646
Revised Prelim.	2,018	1,221	1,276	1,334	1,394	1,439	8,681

Any modifications made by Council to the CIP, from the capital or operating budget discussions, will be incorporated into a final 2009-2014 CIP that will be brought back to Council on December 16 for adoption.

**City of Kirkland
Revised Preliminary 2009-2014 Capital Improvement Program**

TRANSPORTATION PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2009	2010	2011	2012	2013	2014	2009-2014 Total	Funding Sources				
										Current Revenue	Reserve	Debt	External Source	
ST 0006*	Annual Street Preservation Program		2,000,000	2,000,000	2,500,000	2,000,000	2,000,000	2,000,000	12,500,000	12,500,000				
ST 0057*	NE 120th Street Roadway Extension (East Section)	1,609,000	1,232,000		1,232,100	2,530,100			4,994,200	3,014,170	640,400		1,339,630	
ST 0059*	124th Ave NE Roadway Improvements (North Section)	1,757,500	224,000						224,000	224,000				
ST 0080	Annual Striping Program		250,000	250,000	250,000	250,000	250,000	250,000	1,500,000	1,500,000				
ST 8888	Annual Concurrency Street Improvements					2,272,000	2,522,000	2,799,400	7,593,400	5,308,100			2,285,300	
ST 9999	Regional Inter-Agency Coordination		25,000	25,000	25,000	25,000	25,000	25,000	150,000	150,000				
NM 0012	Crosswalk Upgrade Program		70,000		70,000		70,000		210,000	210,000				
NM 0034*^	NE 100th St at Spinney Homestead Park Sidewalk		56,000						56,000	19,600	36,400			
NM 0044*^	116th Avenue NE Sidewalk (Highlands)	176,000	568,000	333,000					901,000	671,000	230,000			
NM 0051*	Rose Hill Business Dist. Sidewalks	3,528,300	310,000	500,000					810,000	810,000				
NM 0057	Annual Sidewalk Maintenance Program		200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	1,200,000				
NM 0060*	100th Avenue NE/99th Place NE Sidewalk	220,000	494,000						494,000	172,900	171,100		150,000	
NM 0065*	Central Way Ped. Enhancements (Phase II-So. Side)						151,800	374,100	525,900	525,900				
NM 0066	12th Avenue Sidewalk			111,000	308,000	205,100			624,100	223,550	154,150		246,400	
NM 8888	Annual Non-Motorized Program					1,100,000	1,100,000	1,100,000	3,300,000	3,300,000				
TR 0078*	NE 85th St/132nd Ave NE Intersection Imprv (Phase I)	2,066,900	22,500	475,000					497,500	497,500				
TR 0079*	NE 85th St/114th Ave NE Intersection Improvements	2,533,300	28,700	604,000					632,700	632,700				
TR 0080*	NE 85th St/124th Ave NE Intersection Improvements	1,385,300	158,000	144,000					302,000	158,400	143,600			
TR 0085	NE 68th St/108th Ave NE Intersection Improvements	650,000	672,000						672,000	562,000	50,000		60,000	
TR 0091*	NE 124th St/124th Ave NE Intersection Imprv (Phase III)	300,000			492,800	547,000	1,366,200	1,516,600	3,922,600	3,922,600				
TR 8888	Annual Concurrency Traffic Improvements					1,798,400	1,996,300	2,215,900	6,010,600	3,268,300			2,742,300	
Total Funded Transportation Projects			14,226,300	6,310,200	4,642,000	5,077,900	10,927,600	9,681,300	10,481,000	47,120,000	38,870,720	1,425,650	0	6,823,630

Notes
 * = Modification in timing and/or cost (see Project Modification/Deletion Schedule for greater detail)
 + = Moved from unfunded status to funded status
 " = Moved from funded status to unfunded status
 ^ = Possible Sidewalk Bond project
 Shaded year(s) = Previous timing
 Bold italics = New projects

**City of Kirkland
Revised Preliminary 2009-2014 Capital Improvement Program**

TRANSPORTATION PROJECTS

Unfunded Projects:

Project Number	Project Title	Total
ST 0055*	98th Avenue NE Bridge Replacement	10,196,000
ST 0056*	132nd Avenue NE Roadway Improvements	25,170,000
ST 0060*	118th Avenue NE Roadway Extension	6,440,000
ST 0061*	119th Avenue NE Roadway Extension	5,640,000
ST 0062*	NE 130th Street Roadway Extension	10,004,000
ST 0064*	124th Ave NE Roadway Widening Imprv (So. Sect'n)	30,349,000
ST 0070	120th Ave NE/Totem Lake Plaza Roadway Imprvmnts	3,000,000
ST 0072*	NE 120th St Roadway Improvements (West Section)	5,870,000
ST 0073*	120th Avenue NE Roadway Extension	16,392,000
ST 0077	NE 132nd St Rdwy Imprv-Phase I (West Section)	1,348,000
ST 0078	NE 132nd St Rdwy Imprv-Phase II (Mid Section)	316,000
ST 0079	NE 132nd St Rdwy Imprv-Phase III (East Section)	1,119,000
NM 0001***	116th Ave NE (So. Sect.) Non-Motorz'd Facil-Phase II	6,028,700
NM 0007*	NE 52nd Street Sidewalk	1,068,600
NM 0024*	Cross Kirkland Trail	6,107,400
NM 0026*	NE 90th Street Sidewalk (Phase II)	2,584,200
NM 0030*	NE 90th Street/I-405 Pedestrian/Bicycle Overpass	3,740,700
NM 0031*	Crestwoods Park/BNSFR Ped/Bike Facility	2,505,000
NM 0032*	93rd Avenue NE Sidewalk	1,047,900
NM 0037*	130th Avenue NE Sidewalk	833,600
NM 0041*	Forbes Valley Pedestrian Facility	1,996,600
NM 0045*	NE 95th Street Sidewalk (Highlands)	571,500
NM 0047*	116th Avenue NE Sidewalk (South Rose Hill)	422,100
NM 0048*	NE 60th Street Sidewalk	4,979,800
NM 0056*	NE 90th Street Sidewalk (Phase I)	1,165,700
NM 0061	NE 104th Street Sidewalk	1,763,500
NM 0062	19th Avenue Sidewalk	814,200
NM 0063	Kirkland Way Sidewalk	414,500
NM 0064**	Park Lane Pedestrian Corridor Enhancements	1,277,200
TR 0056*	NE 85th Street HOV Queue Bypass	841,000
TR 0057*	NE 124th Street HOV Queue Bypass	1,722,000
TR 0065*	6th Street/Kirkland Way Traffic Signal	692,000
TR 0067*	Kirkland Way/BNSFR Abutment/Intersection Imprv	6,917,000
TR 0068*	Lake Washington Boulevard HOV Queue Bypass	6,580,000
TR 0072*	NE 116th Street Eastbound HOV Queue Bypass	7,337,000
TR 0073*	NE 70th Street Eastbound HOV Queue Bypass	1,702,000
TR 0074*	NE 85th Street Westbound HOV Queue Bypass	1,775,000
TR 0075*	NE 124th Street Westbound HOV Queue Bypass	1,275,000
TR 0082***	Central Way/Park Place Center Traffic Signal	327,900
TR 0084*	100th Ave NE/NE 124th St Intersection Improvements	2,230,000
TR 0089*	NE 85th St/132nd Ave NE Intersection Imp (Phase II)	1,825,700
TR 0090*	Lake Washington Blvd/NE 38th Place Intersection Imp	2,948,100
TR 0092*	NE 116th St/124th Ave NE N-bound Dual Lft Turn Lanes	1,717,000
TR 0093	NE 132nd St/Juanita H.S. Access Rd Intersect'n Imp	916,000
TR 0094	NE 132nd St/108th Avenue NE Intersect'n Imp	618,000
TR 0095	NE 132nd St/Fire Stn Access Dr Intersect'n Imp	366,000
TR 0096	NE 132nd St/124th Ave NE Intersect'n Imp	5,713,000
TR 0097	NE 132nd St/132nd Ave NE Intersect'n Imp	889,000
TR 0098	NE 132nd St/ 116th Way NE (I-405) Intersect'n Imp	300,000
Total Unfunded Transportation Projects		199,856,900

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
ST 0057*	NE 120th Street Roadway Extension (East Section)	1,609,000	378,353	1,230,647
ST 0059*	124th Ave NE Roadway Improvements (North Section)	1,757,500	180,960	1,576,540
NM 0001***	116th Ave NE (So. Sect.) Non-Motorz'd Facil-Phase II	469,000	290,663	178,337
NM 0044**^	116th Avenue NE Sidewalk (Highlands)	176,000	88,000	88,000
NM 0051*	Rose Hill Business Dist. Sidewalks	3,528,300	778,925	2,749,375
NM 0060*	100th Avenue NE/99th Place NE Sidewalk	220,000	19,200	200,800
NM 0064**	Park Lane Pedestrian Corridor Enhancements	60,000	0	60,000
TR 0078*	NE 85th St/132nd Ave NE Intersection Imprv (Phase I)	2,066,900	305,717	1,761,183
TR 0079*	NE 85th St/114th Ave NE Intersection Improvements	2,533,300	275,179	2,258,121
TR 0080*	NE 85th St/124th Ave NE Intersection Improvements	1,385,300	215,701	1,169,599
TR 0085	NE 68th St/108th Ave NE Intersection Improvements	650,000	69,676	580,324
TR 0091*	NE 124th St/124th Ave NE Intersection Imprv (Phase III)	300,000	0	300,000
Total Prior Year(s) Funding (Budget to Actuals):		14,755,300	2,602,374	12,152,926

Notes

* = Modification in timing and/or cost (see Project Modification/Deletion Schedule for greater detail)

+ = Moved from unfunded status to funded status

" = Moved from funded status to unfunded status

^ = Possible Sidewalk Bond project

Shaded year(s) = Previous timing

Bold italics = New projects

**City of Kirkland
Revised Preliminary 2009-2014 Capital Improvement Program**

WATER/SEWER UTILITY PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2009	2010	2011	2012	2013	2014	2009-14 Total	Funding Source			
										Current Revenue	Reserve	Debt	External Source
WA 0090	Emergency Sewer Pgm Watermain Replacement Pgm		50,000		50,000		50,000		150,000	150,000			
WA 0093	Vulnerability Analysis Facility Upgrades	70,000	297,900						297,900	297,900			
WA 0094*	North Reservoir Seismic Upgrades & Recoating	840,000	1,450,000	1,109,000					2,559,000	1,352,000			1,207,000
WA 0116*	132nd Av NE/NE 80th St Watermn Replacement					328,600	3,503,400		3,832,000	682,000		3,150,000	
WA 0117	20th Avenue Watermain Replacement		200,000	335,100					535,100	535,100			
WA 0141	9th Avenue Watermain Replacement		200,000	230,200					430,200	430,200			
WA 0142	Third Street Watermain Upgrade		100,000						100,000	100,000			
WA 8888	Annual Watermain Replacement Program							457,600	457,600	457,600			
WA 9999	Annual Water Pump Station/System Upgrade Pgm							823,600	823,600	823,600			
SS 0046	Market Street Sewermain Replacement	1,206,000	652,600						652,600	652,600			
SS 0056	Emergency Sewer Construction Program		1,400,000		1,400,000		1,400,000		4,200,000		4,200,000		
SS 0067*	NE 80th Street Sewermain Replacement (Phase II)					1,230,200	1,992,900	4,515,300	7,738,400	7,738,400			
SS 0074	Sewer System Telemetry Upgrades		150,000						150,000	150,000			
SS 0075	Inflow And Infiltration Reduction Program		200,000						200,000	200,000			
SS 0076	NE 80th Street Sewermain Replacement (Phase III)					1,230,200	1,992,900	1,654,600	4,877,700	4,877,700			
SS 8888	Annual Sanitary Pipeline Replacement Program					492,100	492,100		492,100	492,100			
SS 9999	Annual Sanitary Pump Station/System Upgrade Pgm					344,500	996,500	1,345,200	2,686,200	2,686,200			
Total Funded Utility Projects		2,116,000	4,700,500	1,674,300	1,450,000	3,625,600	9,935,700	8,796,300	30,182,400	21,625,400	4,200,000	3,150,000	1,207,000

Unfunded Projects:

Project Number	Project Title	Total
WA 0052*	108th Avenue NE Watermain Replacement	1,584,000
WA 0057*	116th Avenue NE Watermain Replacement	2,731,000
WA 0096*	NE 83rd Street Watermain Replacement	450,000
WA 0097*	120th Avenue NE Watermain Replacement	1,201,000
WA 0098*	126th Ave NE/NE 83rd & 84th St/ 128th Ave NE Watermain Replcmnt	1,197,000
WA 0104*	111th Ave NE/NE 62nd St-NE 64th St Watermain Replcmnt	1,493,000
WA 0108*	109th Ave NE/NE 58th St Watermain Replacement	504,000
WA 0109*	112th Ave NE Watermain Replacement	1,179,000
WA 0111*	NE 45th St And 110th/111th Ave NE Watermain Replcmnt	1,303,000
WA 0113*	116th Ave NE/NE 70th-NE 80th St Watermain Replcmnt	2,858,000
WA 0119*	109th Ave NE/111th Way NE Watermain Replacement	2,304,000
WA 0122*	116th Avenue NE/NE 100th Street Watermain Replacement	1,506,000
WA 0123*	NE 91st Street Watermain Replacement	453,000
WA 0128*	106th Ave NE-110th Ave NE/NE 116th St-NE 120th St Watermain Replcmnt	2,305,000
WA 0129*	South Reservoir Recoating	981,000
WA 0132*	7th Avenue/Central Avenue Watermain Replacement	907,000
WA 0133*	Kirkland Avenue Watermain Replacement	446,000
WA 0134*	5th Avenue S/8th Street S Watermain Replacement	1,420,000
WA 0135*	NE 75th Street Watermain Replacement	711,000
WA 0138*	NE 72nd St/130th Ave NE Watermain Replacement	1,476,000
WA 0139*	6th Street S Watermain Replacement	584,000
WA 0140*	NE 85th Street / 132nd Avenue NE Watermain Replacement	2,863,000
SS 0051*	6th Street South Sewermain Replacement	804,000
SS 0052*	108th Avenue NE Sewermain Replacement	5,110,000
SS 0068	124th Avenue NE Sewermain Replacement	1,315,000
SS 0069	1st Street Sewermain Replacement	3,945,000
SS 0070	5th Street Sewermain Replacement	1,354,000
SS 0071	6th Street Sewermain Replacement	308,000
SS 0072	Kirkland Avenue Sewermain Replacement	1,980,000
SS 0077	West Of Market Sewermain Replacement	21,681,000
Total Unfunded Utility Projects		66,953,000

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
WA 0093	Vulnerability Analysis Facility Upgrades	70,000	6,445	63,555
SS 0046	Market Street Sewermain Replacement	1,206,000	104,830	1,101,170
Total Prior Year(s) Funding (Budget to Actuals):		1,276,000	111,275	1,164,725

Notes

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- Bold italics = New projects

City of Kirkland
Revised Preliminary 2009-2014 Capital Improvement Program

PARK PROJECTS**Funded Projects:**

Project Number	Project Title	Prior Year(s)	2009	2010	2011	2012	2013	2014	2009-2014 Total	Funding Source				
										Current Revenue	Reserve	Debt	External Source	
PK 0049	Open Space and Pk Land Acq Grant Match Program		100,000						100,000		100,000			
PK 0056	Forbes Lake Park Development	75,000		877,500					877,500	877,500				
PK 0066	Park Play Area Enhancements		100,000	100,000	50,000	100,000	100,000	50,000	500,000	500,000				
PK 0078 600	A.G. Bell Elementary Playfields Improvements						200,000		200,000	200,000				
PK 0078 800	International Comm. School Playfield Improvements					300,000			300,000	300,000				
PK 0087	Waverly Beach Park Renovation			75,000	957,600				1,032,600	1,032,600				
PK 0113	Spinney Homestead Park Renovation				50,000	690,500			740,500	740,500				
PK 0115*	Terrace Park Renovation						76,300	323,700	400,000	400,000				
PK 0119*	Juanita Beach Park Development	550,000	1,650,000				850,000	472,300	2,972,300	2,522,300			450,000	
PK 0121	Green Kirkland Forest Restoration Program		50,000	50,000	50,000	50,000	50,000	50,000	300,000	300,000				
PK 0124*	Snyder's Corner Park Site Development					75,000		425,000	500,000	500,000				
PK 0125	Dock Renovations	100,000			50,000				50,000	50,000				
PK 0131*	Park and Open Space Acquisition Program	835,000	118,000	118,000	118,000	118,000	118,000	118,000	708,000				708,000	
Total Funded Park Projects			1,560,000	2,018,000	1,220,500	1,275,600	1,333,500	1,394,300	1,439,000	8,680,900	7,422,900	100,000	0	1,158,000

Unfunded Projects:

Project Number	Project Title	Total
PK 0086	Totem Lake Neighborhood Park Acquisition & Development	2,500,000
PK 0095 100	Heritage Park Development - Phase III & IV	2,500,000
PK 0096	Ohde Avenue Park Development	250,000
PK 0097	Reservoir Park Renovation	500,000
PK 0099	N. Juanita (East) Neighborhood Park Acquisition/Development	2,500,000
PK 0100	N. Juanita (West) Neighborhood Park Acquisition/Development	2,500,000
PK 0101	N. Rose Hill Neighborhood Park Acquisition/Development (North)	2,500,000
PK 0102	N. Rose Hill Neighborhood Park Acquisition/Development (Central)	2,500,000
PK 0103	Market Neighborhood Park Acquisition/Development	3,500,000
PK 0108	McAuliffe Park Development	7,000,000
PK 0114	Mark Twain Park Renovation	750,000
PK 0116	Lee Johnson Field Artificial Turf Installation	1,500,000
PK 0117	Lake Avenue West Street End Park Enhancement	100,000
PK 0122 100	Community Recreation Facility Construction	42,000,000
PK 0126	Watershed Park Master Planning & Park Development	1,100,000
PK 0127	Kiwanis Park Master Planning & Park Development	1,100,000
PK 0128	Yarrow Bay Wetlands Master Planning & Park Development	1,600,000
PK 0129	Heronfield Wetlands Master Planning & Development	1,600,000
Total Unfunded Park Projects		76,000,000

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
PK 0056	Forbes Lake Park Development	75,000	23,457	51,543
PK 0119*	Juanita Beach Park Development	550,000	277,210	272,790
PK 0125	Dock Renovations	100,000	0	100,000
PK 0131*	Park and Open Space Acquisition Program	835,000	89,574	745,426
Total Prior Year(s) Funding (Budget to Actuals):		1,560,000	390,241	1,169,759

Notes

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Bold italics = New projects



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Iris Cabrera P.E., P.T.O.E. Transportation Engineer
Daryl Grigsby, Public Works Director

Date: November 18, 2008

Subject: Kirkland Intelligent Transportation System (KITS) Strategic Plan

RECOMMENDATION:

It is recommended that the City Council adopt **Kirkland Intelligent Transportation System Strategic Plan**.

BACKGROUND DISCUSSION:

Kirkland Intelligent Transportation System (KITS) Strategic Plan

In 2006 Council approved funding for the development of the City's ITS Strategic Plan. Work on this plan is complete. The Transportation Commission has reviewed it and recommended it be forwarded to the City Council for adoption. Transportation Commission members originally recommended to the City Council that the City undertake an ITS Plan, and they have been advocates for increased ITS implementation. In addition, ITS is consistent with Kirkland goals to improve traffic flow without expanding facilities or by enhancing use of existing infrastructure. The plan is available at:

http://www.ci.kirkland.wa.us/shared/assets/ITS_Strategic_Plan10478.pdf

The KITS Strategic Plan has two main elements: the *ITS Master Plan* and the *Implementation Plan*. The KITS Master Plan establishes the ITS vision for the City, identifies needs, documents the ITS architecture and details the communication plans. The KITS Implementation Plan identifies and prioritizes recommended projects, provides preliminary cost estimates and identifies policies and procedures that need to be in place in the short and long term.

A total of 13 projects were identified at an estimated cost of \$6.78 million. Eleven of the proposed projects are corridor projects and two are ITS infrastructure projects including a *Traffic Management Video Wall* and *Expansion of the Fiber Optic Communication Network* to link traffic control devices located in the southeast part of the City.

The main policy recommendations of the KITS Strategic Plan are:

- Take Advantage of Short-term opportunities such as implementation of proposed ITS projects as part of projects already in the 6-year Capital Improvement Program (CIP).
- Develop ITS Standards as part of the NE 85th Street Improvement project or as separate project allow ITS Standards are needed to ensure that all new signal equipment and communication devices comply with ITS requirements, provide for future compatibility, as well as integrate into existing ITS projects operated by other agencies.
- Develop written procedures to define roles and responsibilities relating to the implementation, maintenance and operation of the City's ITS Plan.
- Develop an internal communication protocol to manage access to the City's ITS system by Police and EMS personnel.
- Continue to work with other agencies to coordinate on issues regarding operation and maintenance of ITS devices and evaluation of corridor performance. This includes the development of Inter-agency agreements.

What is ITS?

ITS stands for "Intelligent Transportation System" and encompasses a wide range of tools and technologies that aim at maximizing the efficiency of the existing roadway infrastructure without adding capacity. Examples of ITS include *Closed Circuit Television, Dynamic Message Signs, Transit Signal Priority, Traffic Management Centers, advanced traffic signal controllers, traffic signal interconnection and fiber optic communication.*

ITS technologies have been implemented in Washington State since the mid-80s. The Cities of Bellevue and Lynnwood have been operating centralized traffic control systems since the late 80s, whereas other jurisdictions such as Issaquah and Redmond have recently deployed ITS. Washington State Department of Transportation(WSDOT) uses an extensive fiber optic network along the freeways to connect devices such as *Closed Circuit Television Cameras, Dynamic Message Signs and System Loop Detectors (in the highway pavement)* to manage traffic flow during peak traffic periods.

The benefits of ITS include reduction in vehicle delay and travel time and enhanced safety, all of which contribute to improved mobility, decreased emission levels and energy consumption. Also, because many ITS projects extend across jurisdictional boundaries, they provide opportunities for better coordination among neighboring jurisdictions and for more efficient traffic management.

Existing ITS in Kirkland

The City, King County and WSDOT jointly operate and maintain several ITS applications along the NE 124th Street corridor which include all of the examples mentioned above except *Dynamic Message Signs*. The County remotely manages the corridor and the City monitors it through a recently installed workstation that is connected to the County's Traffic Management Center via a high speed Internet connection.

Presently, there are three City CIP projects and one King County project, undergoing design, that contain ITS elements. These are:

- The NE 85th Street Corridor Improvement Project which includes new signal equipment, fiber optic interconnection, Closed Circuit Television Cameras, Video Detection, and a direct communication link to City Hall and the Maintenance Shop
- The new traffic signal at 3rd / Kirkland Avenue, which is being designed to comply with ITS standards.
- The NE 68th Street/108th Ave NE intersection improvement which includes signal equipment upgrades, Closed Circuit Television Cameras and fiber optic link connecting to City Hall via Fire Station 22
- The 100th Ave NE/NE 132nd Street signal upgrades. This improvement is part of King County's Juanita/Woodinville Way NE ITS Project, which includes signal interconnection on Juanita Woodinville Way NE from NE 160th to NE 132nd Street

In addition the City expects to participate in Traffic Busters, a WSDOT Program that allows jurisdictions in the region to have access to traffic and video data. WSDOT will provide funding for the installation of communication equipment, software and a fiber optic link between their signal at the intersection of NE 124th Street and 116th Ave NE and the City's fiber optic network.

Funding Considerations

An ITS Strategic Plan without a realistic funding mechanism is destined to languish on a shelf without ever being implemented; therefore, after its adoption the next step toward implementation of KITS, is to secure funding.

ITS projects in the region have been funded with grants programs available through regional or countywide competitions. These have included Federal TEA 21, State TIB Grants and PSRC's Surface Transportation Program (STP)/Congestion Mitigation and Air Quality Improvement Program (CMAQ). Some jurisdictions such as Issaquah passed a bond measure to fund its ITS. The City of Redmond used a combination of funding sources that included TEA 21 and TIB Grants as well as their Capital Improvement Program.

Kirkland is likely to apply in 2009 for a PSRC's STP/CMAQ grant to implement some of KITS recommended projects. In order to be eligible for this type of funding a project must be included in Destination 2030, the region's Metropolitan Transportation Plan.



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sri Krishnan, Senior Financial Analyst

Date: November 6, 2008

Subject: **PRELIMINARY 2009 PROPERTY TAX LEVY**

RECOMMENDATION:

Council approve the attached interim ordinance levying property taxes for the year 2009.

BACKGROUND DISCUSSION:

The attached interim ordinance is required in order to meet the November 28th deadline established by the King County Council for submission of levy amounts. Each year the County prepares a levy worksheet for cities that establishes the maximum levy capacity (within legal limits) and the amount of new construction valuation. The City cannot accurately calculate the amount of the levy until the final worksheet is received. The County estimates that the final levy worksheets will be available either by the last week of November or the first week of December. Since November 18th is the last regular Council meeting before the November 28th deadline, an interim ordinance needs to be passed that establishes a maximum amount of property taxes the City expects to levy in 2009. We use a maximum amount since the County will allow us to submit a final levy amount that is lower than the preliminary amount but not higher. Consequently, the preliminary property tax levy is typically higher than the final levy will be. The final levy will be calculated when the City receives its final levy worksheet from King County and will be brought forward for adoption at the December 16th City Council meeting.

It should be noted that the property tax levy still needs to be established annually even though the Council will be adopting a budget for the 2009-2010 biennium. Accordingly, the attached ordinance relates to 2009 only. The following discussion explains how the preliminary levy numbers were calculated for each of the variable factors in the levy. There are two components to the property tax levy – the regular levy, which funds operating costs, and the excess levy, which funds debt service on voter-approved bonds.

Regular Levy

For 2009, there are three factors impacting the amount of the regular levy – the new construction levy, the optional increase, and banked capacity.

New Construction

New construction represents additional property taxes to be received from the construction of new buildings and additions to existing structures. The new construction levy increases revenue to the City but does not increase the tax levy on existing taxpayers. The new construction levy is calculated by dividing the new construction valuation by

November 6, 2008

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\$1,000 and multiplying the quotient by the current year's regular levy tax rate: (\$1.14882 per \$1,000 of assessed valuation). The preliminary new construction valuation for the 2009 levy (as of October 27, 2008) is \$211,454,555, which translates into a new construction levy of \$242,923 ($\$211,454,555 / \$1,000 \times \1.14882). Over the past eight years, the increase in new construction levy as a percentage of each year's total base regular levy has ranged between 1% and 4%. The estimated 2009 new construction levy of \$242,923 is 1.87% of the total base regular levy for 2009.

The attached interim ordinance includes new construction that is equivalent to 3.75% of the total 2009 regular levy or \$485,846, which is intentionally high to ensure that all new construction amounts will be available. The final new construction levy will not be known until the City receives its final levy worksheet from King County in December. Once the final levy worksheet is received, staff will adjust the 2009 property tax levy accordingly and submit a final ordinance for Council approval on December 16, 2008.

Note that the King County Assessor's Office has notified jurisdictions that pending budget reductions at King County could adversely impact their ability to add new construction valuation in the future. City staff is closely monitoring these developments and will report back to the City Council as impacts become more clearly defined.

Optional Levy Increase

The Preliminary 2009-2010 Budget assumes an optional increase of one percent in each year, so the 2009 preliminary levy includes the one percent increase. Each one percent increase in the regular levy equates to almost \$122,000 in new revenue to the General Fund and Street Operating and about \$8,000 in new revenue to the Parks Maintenance Fund, for a total of about \$130,000.

Banked Capacity

The law also allows the use of "banked" capacity, which is the amount of unused optional increases that have accumulated over the years. The banked capacity remaining under the 2008 allowable levy was estimated at \$145,000. The preliminary 2009-2010 Budget assumes the use of all remaining banked capacity which is estimated at \$108,436 based on the data from the King County Assessor's Office on October 27, 2008. To date, the City has not received the explanation of the reduction in banked capacity from \$145,000 to the current estimate of \$108,436. Generally, banked capacity is reduced due to re-levy for prior-year refunds and any levy corrections or omissions.

This use of the City's remaining banked capacity means that \$108,436 will be added to the 2009 levy, which will then become part of the City's base levy in 2010. No additional banked capacity amount will be available after Council authorizes this use.

Excess Levy

The total excess levy, which relates to voted debt, is increasing from \$1,452,838 in 2008 to \$1,456,986 in 2009. This translates to a rate per \$1,000 assessed value of \$0.11087 (a decrease from the 2008 rate of \$0.12736).

Trends in Assessed Valuation

Growth in assessed valuation is composed of new construction and revaluation of existing properties. Preliminary figures from King County dated 10/27/08, indicate that the City's total assessed valuation increased by 15.21% (\$1,734,654,419) with 1.85% (\$211,454,555) due to new construction and 13.35% (\$1,523,199,864) due to revaluations. For estimating purposes only, new construction valuation is shown at double the 10/27/08 figures to ensure that all new construction amounts will be available. It should be noted that the preliminary new construction figure from King County does not include State assessed valuation, which has not been finalized yet.

¹ Levy rate per the Preliminary Levy Limit Worksheet from the King County Assessor's Office.

November 6, 2008

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The increase in valuation does not in itself generate additional revenue for the City. If the Council took no optional increase in the levy and the assessed valuation increases, it would have the effect of lowering the rate applied to each \$1,000 of assessed valuation.

Based on the preliminary levy worksheet, the use of the remaining banked capacity (\$108,436), an intentionally high estimate for new construction (\$485,846), and the 1% optional increase the overall tax rate (regular levy only) would decrease from \$1.27618 per \$1,000 of assessed valuation in 2008 to \$1.13843 in 2009. Note that the total dollar amount of the levy is fixed but the final rate per \$1,000 of assessed valuation (AV) can change based on the final AV at the time King County finalizes the levy rates (in early 2009). A final levy will be prepared for Council approval at their December 16th regular meeting.

Preliminary Levy Recap:

Base General Levy (2009 Rate)	\$ 12,168,960
1% Optional Increase (General Levy)	121,690
Estimated Optional Banked Capacity	108,436
Base Parks Maintenance Levy (2009)	793,459
1% Optional Increase (Parks Maint. Levy)	7,935
New Construction and Prior Yr. Adjustments*	<u>504,584</u>
Total Regular and Parks Maint Levy	\$ 13,705,064
Excess Levy (for voted debt)	<u>1,456,986</u>
Total 2009 Preliminary Levy	<u>\$15,162,050</u>

*Prior-year adjustments include new construction levy, re-levy for prior-year refunds, and any levy corrections or omissions. New construction levy is estimated at 4.0% over the current levy and will be reduced to the actual new construction allowance when final information is received from King County. The estimated prior-year refund levy for 2009 is \$18,738 as of October 27, 2008. There are no levy corrections for 2009 in the preliminary figures.

Attachments

Cc: Sandi Hines, Financial Planning Manager

**CITY OF KIRKLAND
2009 PROPERTY TAX DISTRIBUTION (PRELIMINARY LEVY)**

Taxable Assessed Valuation For 2009 Levy		\$13,141,914,744
REGULAR LEVY		
Operating Fund	Levy	Rate per \$1,000 AV
General Fund	\$9,750,510	\$0.74194
Street Operating Fund	\$3,115,636	\$0.23708
Parks Maintenance Fund	\$838,918	\$0.06384
Total 2009 Regular Levy	\$13,705,064	\$1.04285
EXCESS LEVY		
Unlimited General Obligation Bond Issue	Levy	Rate per \$1,000 AV
1993 Unlimited G.O. Refunding (Parks)	\$544,613	\$0.04144
1995 Unlimited G.O. (Public Safety)	\$89,888	\$0.00684
2001 Unlimited G.O. Refunding (Public Safety)	\$185,100	\$0.01408
2003 Unlimited G.O. (Parks)	\$637,385	\$0.04850
Total 2009 Excess Levy	\$1,456,986	\$0.11087
TOTAL LEVY		
	Levy	Rate per \$1,000 AV
Total 2009 Levy	\$15,162,050	\$1.15372

ORDINANCE NO. 4154

AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING THE AMOUNT OF PROPERTY TAXES TO BE LEVIED FOR THE YEAR 2009, THE FIRST YEAR OF THE CITY OF KIRKLAND'S 2009-2010 FISCAL BIENNIUM.

WHEREAS, the City Council previously held a public hearing on September 16, 2008, to consider revenue sources for the 2009-2010 Biennial Budget; and

WHEREAS, the City Council and the City Manager have considered the anticipated financial requirements of the City of Kirkland for the fiscal year 2009; and

WHEREAS, pursuant to RCW 35A.33.135, the City Council is required to determine and fix by ordinance the amount to be raised by ad valorem taxes; and

WHEREAS, RCW 84.55.120 requires that the increase in the levy over the prior year shall be stated both as to dollars and percentage;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. The regular property tax levy for the year 2009 is hereby fixed and established in the amount of \$13,705,064. This property tax levy represents a dollar increase of \$742,645 and a percentage increase of 5.73% from the previous year, including the increase resulting from the addition of new construction, improvements to property, any increase in state-assessed property, and administrative refunds as shown below:

	Amount	% Increase (Decrease)
2008 Regular Property Tax Levy	12,962,419	
Less Prior Year Refund	0	
Plus New Construction Levy	485,846	3.75%
Plus Annexation Levy	0	0.00%
Plus Refund Levy	18,738	0.14%
Plus Property Tax Increase	238,061	1.84%
2009 Regular Levy	13,705,064	5.73%

Section 2. There is hereby levied for 2009 upon all property, both real and personal, within the City of Kirkland, Washington, and within the area subject to tax levies for the principal and interest of all general obligation bond issues, a total voted property tax of \$1,456,986 on the total of assessed valuation for such property.

Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2008.

Signed in authentication thereof this _____ day of _____, 2008.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney

**CITY OF KIRKLAND**

Planning and Community Development Department
3 Fifth Avenue, Kirkland, WA 98033 425.587-3225
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Joan Lieberman-Brill, AICP, Senior Planner
Eric Shields, AICP, Planning Director

Date: November 13, 2008

Subject: Proposed Bridle View Annexation (File ANN07-00001)

RECOMMENDATION

We recommend that the City Council consider the proposed request to annex the Bridle View Development and Snyder's Corner Park and decide on the following three questions:

1. Will the City accept, reject or geographically modify the proposed annexation?
(We recommend acceptance without modification)
2. Will the City require simultaneous adoption of a proposed zoning regulation?
(We recommend that the annexed area be zoned RSX 35)
3. Will the City require the assumption of the existing City indebtedness by the area to be annexed?
(We recommend that assumption of indebtedness be required.)

If the Council wishes to require the assumption of the existing indebtedness and/or the simultaneous adoption of a proposed zoning regulation the Council should pass a motion so that the minutes and the annexation petition will clearly reflect these requirements.

BACKGROUND DISCUSSION

The attached letter from Alice Prince, Rena Peterson, Wray Featherstone, and Irene Carlson, of The Bridle View Annexation Committee requests that the City Council consider annexing the 54 lot Bridle View subdivision and Snyder's Corner Park, a four acre park owned by the City but currently in unincorporated King County. Both abut the eastern City limits of Kirkland in the Bridle Trails Neighborhood (see attached map). The Bridle View Annexation Committee is seeking to initiate a petition method annexation. State statutes allow for such an annexation to be initiated by property owners representing not less than 10% of the assessed valuation in the proposed annexation area. The letter contains signatures of property owners representing 16% of the total assessed value of the development.

State statutes require that the City Council meet with the parties initiating a petition method annexation within 60 days of the date that consideration of the annexation was requested. At the meeting, the City Council must make a determination on three questions. The questions are:

Memo to City Council Bridle View Annexation

November 13, 2008

Page 2 of 3

1. Whether to accept, reject, or geographically modify the proposed annexation.

Discussion: Both the Bridle View Development and Snyder's Corner are within Kirkland's Potential Annexation Area (PAA). Prior to October 2008, the proposed annexation area was within Redmond's PAA. King County cities ratified King County changes to potential annexation boundaries, including this one, in October. State statutes require that a proposed annexation be within the PAA of the City to which annexation is proposed.

The rationale for the PAA boundary change was the recognition by all parties that the equestrian zoning protection enjoyed by residential lots in Kirkland's RSX zone could not be accommodated by the City of Redmond. Kirkland's RSX zoning requires that permeable areas of at least 10,000 square feet be provided on all residential lots to ensure the potential for future equestrian use. Residents in the Bridle View development want this protection in order to ensure that the existing equestrian character of their development is preserved. Without Kirkland's equestrian zoning regulations, there is nothing to prevent re-development which could eliminate permeable areas currently or potentially used for paddocks.

Additionally, Snyder's Corner Park is owned by the City of Kirkland, but currently within the unincorporated King Co. It is logical to include this area within Kirkland's city limits.

2. Whether to require the simultaneous adoption of proposed zoning regulations.

Discussion: The Bridle View development and Snyder's Corner Park are zoned R-1 in King County (Residential 1 DU per acre). The most similar zoning category in Kirkland is RSX 35, which exists in the area directly to the west of the development. If annexation occurs, staff will propose to rezone the park to a Public Use (P) Zone and to amend the Bridle Trails Neighborhood Plan to address this area as part of the 2009 annual Comprehensive Plan and zoning amendments.

3. Whether to require assumption of existing City indebtedness by the area to be annexed.

Discussion: The overall property tax rate for the unincorporated PAA is \$10.23 per \$1000 of assessed valuation. In Kirkland, the rate is \$8.49 per \$1000, of which \$1.28 is for voter approved debt. In the past, it has been Council policy to require annexed areas to assume indebtedness.

Next Steps: If the Council authorizes this annexation to move forward, an annexation petition will be prepared for circulation to all property owners in the annexation area. Annexation proponents will have up to six months to circulate the petition and obtain the signatures of property owners representing at least 60% of the total assessed value in the area. If the petition is submitted with sufficient signatures, staff will prepare a report to the King County Boundary Review Board (BRB). If approved by the BRB, an annexation ordinance will be prepared for consideration by the City Council at a public hearing. We anticipate that the annexation process will be completed by mid-2009.

Attachments:

1. Initiation Petition
2. Map of Annexation Area

cc: The Bridle View Annexation Committee; Alice Prince, email: afprince42@aol.com

September 15, 2008

RECEIVED
OCT 20 2008
AM 2:00 PM
PLANNING DEPARTMENT
BY 

Mayor Jim Lauinger
Kirkland City Council
Eric Shields, Planning Director

Re: Annexation of Bridle View Housing Development

Dear Mayor Lauinger, Council Members and Mr. Shields:

We are writing to ask you to consider the annexation of the Bridle View Development, currently situated in King County, into the City of Kirkland. Planning Director, Eric Shields and his assistant, Joan Lieberman-Brill, have advised us that the best way to do this is the petition method which initially requires a request and signatures of the owners of at least 10% of the valuated properties to be annexed.

We are situated between 132nd Ave. NE on the west, 136th Ave. NE on the east, NE 60th (or the Bridle Crest Trail because NE 60th doesn't exist that far east) on the south, and the four acres known as Snyder's Corner which already belongs to the City of Kirkland, but is also being considered for annexation.

It is our belief that we should be considered for annexation because of the size and nature of our properties, most of which are "horse acres" or nearly so, and many of them are set up for and do have horses in residence) and our proximity to other properties like ours in Silver Spurs and Bridlewood Circle, already within the city limits of Kirkland.

Horse acre lots such as these, as we all know, will never be created again in this county, and it is our desire to do what we can to be a part of the only city that is actively making an effort to preserve these very unique properties as a part if the legacy of the greater Bridle Trails Community.

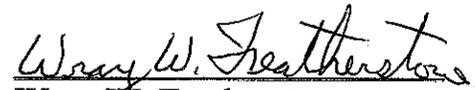
We ask that you consider our request and contact us regarding whatever steps we need to take after this to help make this annexation a reality.

Thank you for all your help and consideration in this matter.

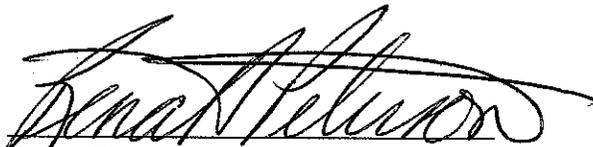
Sincerely,
The Bridle View Annexation Committee



Alice Prince



Wray W. Featherstone



Rena Peterson



Irene Carlson

Attachment: We, the undersigned, are asking that you consider the above request to annex the Bridle View development into the city of Kirkland.

I/We, the undersigned, being the owners of the real property shown on Exhibit "A" attached hereto, do hereby petition the City of Kirkland to accept our Letter of Intent from a 10% representation of property ownership in the Bridle View subdivision to Annex to the City of Kirkland. WHEREFORE, the undersigned respectively petition the Honorable Mayor and City Council and ask that appropriate actions be taken to authorize this action.

1. NAME (Print) Nelson Betty SIGNATURE Nelson Betty
 ADDRESS 6105-136th Ave NE
 DATE 9-12-08
2. NAME (Print) Chris Tett SIGNATURE Christopher J Tett
 ADDRESS 6313 135th Ave NE
 DATE 9-14-08
3. NAME (Print) Frene Carlson SIGNATURE Frene J. Carlson
 ADDRESS 6350-133rd Ave NE
 DATE 9-14-08
4. NAME (Print) Rebecca Hastings SIGNATURE Rebecca Hastings
 ADDRESS 6113 136th Ave NE
 DATE 9-15-08
5. NAME (Print) Morgan Burbridge SIGNATURE M Burbridge
 ADDRESS 6306 135th Ave NE 98033
 DATE 9-15-08
6. NAME (Print) Donald Prince SIGNATURE Donald Prince
 ADDRESS 6021-136th Ave NE
 DATE 9-15-08
7. NAME (Print) Rena Peterson SIGNATURE Rena Peterson
 ADDRESS 6148-133rd AVE NE, KIRKLAND, WA 98033
 DATE 9-16-2008

8. NAME (Print) WRAY W. FEATHERSTONE SIGNATURE W. W. Featherstone
ADDRESS 13330 N.E. 41ST ST
DATE SEPT 14, 2008

9. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____

10. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____

11. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____

12. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____

13. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____

14. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____

15. NAME (Print) _____ SIGNATURE _____
ADDRESS _____
DATE _____



Potential Annexation Area

**CITY OF KIRKLAND****City Manager's Office****123 Fifth Avenue, Kirkland, WA 98033 425.587.3001****www.ci.kirkland.wa.us**

MEMORANDUM

To: David Ramsay, City Manager

From: Erin J. Leonhart, Intergovernmental Relations Manager

Date: November 10, 2008

Subject: CITY OF KIRKLAND DRAFT 2009 LEGISLATIVE AGENDA & PRE-LEGISLATIVE UPDATE

RECOMMENDATION

It is recommended that the City Council hear a brief pre-legislative report, review the proposed draft 2009 Legislative Agenda and provide comments to staff.

BACKGROUND

The Legislative Committee of the Kirkland City Council has developed a draft Legislative Agenda in preparation for the 2009 Legislative Session. This year's State session will be a long one starting on January 20, 2009 and extending through April. Recognizing the State of Washington's financial issues, the Legislative Committee suggested an overarching theme of protecting what we have. This draft legislative agenda focuses on issues related to municipal courts, housing, infrastructure, public safety, environmental stewardship, and annexation.

Again this year, we anticipate that State Legislators will pursue relatively modest legislative initiatives; however, few of the items on Kirkland's draft agenda require new funding sources. One focus for the City of Kirkland and Association of Washington Cities is increased flexibility for existing sources of funding, particularly for infrastructure. In addition to supporting legislation and funding, the 2009 draft Legislative Agenda opposes legislation that would allow counties to levy a county-wide utility tax and legislation that would require public agencies to tape executive sessions. A matrix is being developed to categorize and prioritize items on the State Agenda.

This year the Legislative Committee is proposing a brief Federal Legislative Agenda, in addition to capital funding requests. The items on this list are primarily those that have arisen during City Council meetings: reauthorization of the U. S. Highway and Transit Bill (with a particular focus on non-motorized opportunities), funding for climate change initiatives and continued vigilance about wireless facility zoning.

Some of the items included on Kirkland's draft agenda and catching the attention of other organizations, such as the Association of Washington Cities, are related to the King County budget and proposed methods to address a significant general fund shortfall.

King County Budget Proposal

King County Executive Sims has submitted a proposed budget to the King County Council that includes recommendations to close the County's projected \$93.4 million general fund shortfall. According to the King County Budget Summary Report, included in the recommendation are \$38 million in permanent reductions. Of the total proposed reductions, the largest portions are in Law, Safety and Justice (72 percent); General Government (17 percent); and Health and Human Services (6 percent). Some specific programs are:

November 10, 2008

Page 2 of 2

- Department of Adult and Juvenile Detention – generate \$3.4 million in net new revenue by contracting with the Washington State Department of Corrections to house 225 additional inmates. Housing DOC inmates limits the number of beds available to cities.
- Prosecuting Attorney's Office – savings of \$3.8 million related to Filing and Disposition Standards (FADS) revisions increasing the threshold for certain felonies as of October 6, 2008:
 - Property crimes with a loss of value of under \$1,000 now referred to cities as misdemeanors (estimated 1,250 countywide cases per year);
 - Property crimes with a loss of value between \$1,101 and \$5,000 now filed in King County District Court as expedited gross misdemeanors (estimated 800 countywide cases per year);
 - Drug possession cases where the amount is for personal use also now filed in King County District Court as expedited gross misdemeanors (estimated 2,100 cases per year).

The changes in the Prosecuting Attorney's Office, in particular, will have an impact on the Kirkland Municipal Court, prosecutor, public defender and Police Department as the workload is shifted to cities.

Executive Sims has also placed many programs (46 percent Health and Human Services and 44 percent Law, Safety and Justice) in a "lifeboat" through June 30, 2009. If King County is not able to determine new sources of revenue for these programs, they will be reduced or eliminated on June 30, 2009. Included on the "lifeboat" list are closure of the Northshore Public Health clinic, elimination of several Juvenile Detention programs and gradual elimination of the Drug Court and Mental Health Courts.

In addition to the Executive's recommendations, a November 6, 2008 staff report from the King County Council's Capital Budget Panel suggests reductions to funds for the Transit Oriented Development program. This indicates that the Transit Oriented Development (TOD) program may be eliminated. Elimination of the TOD program could have adverse impacts on the South Kirkland Park and Ride TOD project. Staff is pursuing additional information and will report details at the November 18th Council meeting.

Legislative Impacts

Executive Sims has proposed legislative solutions to provide additional revenues for King County. Some of the proposed solutions, if the County is successful, could have an impact on the City of Kirkland. One proposal is to request that the State of Washington mandate annexations to reduce the County's costs in unincorporated urban areas. The County will also pursue new revenues for Public Health and Public Safety. An option currently under review is an additional sales tax or utility tax to be levied county-wide to support regional services. Another proposed option is a local utility tax for unincorporated King County to fund local services provided in areas such as Kirkland's Potential Annexation Area.

The King County Council is scheduled to adopt the 2009 budget on November 24, 2008.

Attachment: Draft 2009 Legislative Agenda

City of Kirkland
2009 Legislative Agenda - State & Federal

STATE LEGISLATIVE AGENDA

LAW AND JUSTICE

Municipal Courts

Kirkland supports cities' ability to form municipal courts and is working to preserve all options for providing municipal court services in the future. Kirkland supports coordination of criminal justice services provided by the state, counties and municipalities to achieve the greatest efficiencies possible. Kirkland opposes any further shifting of criminal justice services to municipalities from the state or county.

Local governments should have the authority to choose the court structure that best meets local needs, including municipal courts that feature cities contracting with neighboring cities to provide court services, as was codified in 2SHB 2557. The community court structure allows the contracting cities to keep the court local, while realizing cost efficiencies that would not be possible if each city were required to have its own court. It also increases citizen access to court services by having the courts located closer to home. By reducing law enforcement travel time to and from court, it allows law enforcement personnel to spend more time ensuring public safety.

To maintain the efficiency and independence of these courts, cities should retain the ability to appoint municipal judges who work less than full time. In addition, State law should continue to allow cities to retain and direct municipal court revenues at the local level.

Municipal Courts should retain their current authority to determine whether or not to extend their jurisdiction to anti-harassment and domestic violence protection orders. The City of Kirkland opposes any requirements to take on these additional responsibilities without adequate funding for staffing and training.

PUBLIC SAFETY

Kirkland supports legislation that provides additional funding options for public safety purposes, including public safety facilities.

Cities expend substantial resources on fire protection, emergency medical services, law enforcement, and jail services. Homeland security responsibilities, including planning, training, mitigation, and emergency response increasingly fall on local governments as first responders. Kirkland considers the state a partner in local government efforts to create safe communities.

Mitigating Medical Costs for Offenders (from AWC Legislative Priorities)

Kirkland supports removal of the two-year sunset provision which clarifies the charging entity is responsible for offender medical costs; passage of legislation expanding the use of the extraordinary criminal justice account to pay for extraordinary medical costs for offenders; and support proposals to provide additional funds for offender medical costs.

ANNEXATION

Kirkland supports legislation that extends the deadline for eligibility for the State annexation sales tax credit and that provides additional funding options for annexation-related expenses. Kirkland opposes legislation that would mandate annexations.

Annexation presents complex service delivery and financial challenges to municipalities and requires time to make informed and prudent decisions about how to provide services for a larger community. To support this decision-making process for Kirkland and other communities, the City requests an extension

of the 2010 deadline to commence annexation and retain eligibility for the State's annexation incentive funding. The City also supports additional funding to support capital facilities needs for annexing cities.

ECONOMIC DEVELOPMENT/INFRASTRUCTURE

Local Infrastructure (includes language from AWC Legislative Priorities)

Kirkland supports legislation that provides a new permanent source of funding for infrastructure; increased Transportation Improvement Board and Public Works Trust Fund funding; permanent funding of the Community Economic Revitalization Board for urban and rural projects; Local Infrastructure Financing Tool flexibility and reauthorization; enhanced urban Brownfield redevelopment. Kirkland also supports the \$100 million allocation to the Washington Wildlife Recreation Program.

Kirkland supports local infrastructure options and flexibility such as design-build authority for projects under \$10 million; updated bid limit authority; expanded uses of Real Estate Excise Tax; authorization of a street utility; and modification of Transportation Benefit District legislation.

Kirkland supports revisions to grant eligibility that would reward cities for accepting density in accordance with the Growth Management Act and additional grant funding to assist cities with implementation of new stormwater regulations.

Infrastructure is critical to the health, safety, and welfare of local communities and the citizens of the state. Infrastructure lays the foundation for economic well-being, growth, and quality of life of a community. Adequate infrastructure is required to accommodate Growth Management Act requirements, other state requirements, and a series of federal requirements administered by the state. Enhanced infrastructure funding is required to meet these requirements and ensure our communities excel.

The City of Kirkland supports new funding to address growth for economic development purposes, to repair an aging utility system and to upgrade streets and roads. The current state loan and grant programs are significantly under-funded and the need for an increase is great.

Kirkland supports local economic development incentives that help to attract, retain, expand and support economic activity that promotes prosperity and improves the quality of life in the community.

Condemnation Authority for Cascade Water Alliance

The City of Kirkland supports the right of eminent domain for Cascade Water Alliance. Clarification of the current statutes and granting of this authority is necessary as Cascade begins construction on the Tacoma/Cascade Regional Pipeline.

Kirkland is a member of Cascade Water Alliance (Cascade), a non-profit corporation comprised of eight cities and water and sewer districts. Cascade will be building a water supply delivery system to provide water for its members in the near- and long-term. To do so effectively, Cascade will be requesting eminent domain authority, consistent with other regional utilities.

Redistribution of Gas Tax

Kirkland supports legislation to implement a more equitable distribution of the state gas tax, with an increased share allocated to cities. Since 1991, the per capita gas tax distribution has declined significantly because the tax is not distributed equitably to growing municipal areas.

Currently, 10.6961 percent of the funds are distributed to cities and towns while 19.2287 percent is distributed to counties, regardless of population changes due to annexation or other reasons. City population has grown 43% since 1990, compared to 3.5% in unincorporated areas. Washington's cities are home to nearly two-thirds of the state's population. Despite this, transportation funding is increasingly focused on state needs, while neglecting city streets. Nearly 90% of the state GDP is generated in the state's top nine metropolitan areas, yet funding to support transportation in these employment centers continues to decline.

Future gas tax distributions should ensure a fairer return to cities, which handle a disproportionate amount of the state's employment and commuter traffic. Cities that are meeting their Growth

Management growth and density targets face significant transportation needs and should receive a proportionately higher percentage of the gas tax distribution.

Tolling/Roadway Pricing

The City of Kirkland generally supports roadway pricing as an effective tool for managing the regional transportation system and generating additional revenue to leverage against existing revenue sources. Revenues from pricing may be used for a variety of purposes, but there must be a reasonable nexus between collection and spending. Pricing for management must have clear objectives and pricing efforts must include careful consideration of potential negative impacts, particularly considering the needs of low income users of priced facilities.

This support includes early tolling of SR 520 and the I-90 bridge and implementation of High Occupancy Toll (HOT) lane systems on I-405 as long as potential impacts to Kirkland are considered before and addressed after implementation of any such roadway pricing program.

Besides funding for construction of the facility where it was collected, examples of reasonable uses for pricing revenue include: transit service on the priced or parallel facilities, mitigation of pricing impacts like diversion onto non-priced routes and operations/maintenance of the priced facility. Pricing revenues should supplement not supplant current revenue sources.

Pricing can be optimized to meet various objectives; however, prior to implementation, it is important that impacted jurisdictions have an opportunity to comment on the pricing objective.

In order to minimize negative impacts of pricing, choices such as high quality transit must be provided on priced corridors. Predictable and reasonable tolls will also help to minimize negative impacts.

County-Wide Utility Tax (from AWC Legislative Priorities)

Kirkland opposes legislation that would allow counties to levy a county-wide utility tax.

Cities have the authority to levy utility taxes on the gross operating revenues of private utilities (cable, garbage, etc.) and their own (water, sewer and surface water, in Kirkland's case) within their incorporated boundaries. Cities are not authorized to levy utility taxes on other local governments. The county association is considering a proposal that would authorize a county-wide utility tax. A modified version of this proposal could include a tax on unincorporated areas of a county only.

Fiscal Aid for Distressed Cities and Counties (from AWC Legislative Priorities)

Kirkland supports assistance for low-tax base cities and counties most impacted by the repeal of Motor Vehicle Excise Tax (MVET) from Initiative 695 and declining State backfill but not at the expense of the Public Works Trust Fund.

ESSB 6050 was passed in 2005 and funded a City-County Assistance Account from Real Estate Excise Tax to provide assistance for low-tax base cities and counties. This account will decrease with the decline in the real estate market and will need additional funding. The Association of Washington Cities will seek an increase but not at the expense of the Public Works Trust Fund. AWC will also look to establish a "floor" so distributions to qualifying governments do not drop below a certain amount.

HOUSING

Homelessness

Kirkland supports legislative action aimed at preventing homelessness and moving the homeless to stable, supported housing as quickly as possible. To accomplish these goals, the City supports the appropriation of funding for temporary rental assistance and supportive services, increased resources for mental health and substance abuse treatment services, supportive services to those transitioning out of the corrections system and young people who age out of the foster care system.

According to the Eastside Human Services Forum in 2007, over 8,300 people in King County are homeless on a typical night. Approximately 17% of homeless single adults are from the Eastside. In January 2007,

223 households living in emergency shelter or transitional housing reported that their last address was in East King County. Between 2000 and 2004, the estimated homeless population in King County increased by nearly 30%, ten times the rate of population growth experienced by the County as a whole.

East King County lacks an adequate supply of shelter beds and transitional housing. Current estimates show an immediate need for 930 subsidized apartments for homeless families on the Eastside. Service providers turn-away approximately five families for every family served in transitional housing.

Funding for Affordable Housing

Kirkland supports protection of and new state contributions to the Housing Trust Fund levels established in 2008 to support statewide public-private investment in low-income housing. Kirkland also supports tax incentives and targeted investments in workforce housing.

Lack of affordable housing is a significant problem throughout King County, including the City of Kirkland. About one third of the City's residents earn less than 80 percent of median income and face considerable difficulty in affording housing. According to the 2003 Kirkland Housing Needs Analysis, prepared by A Regional Coalition for Housing (ARCH), Kirkland's current housing market is most lacking in providing rental housing units priced appropriately for low-income households (those earning zero to 50 percent of median income) and ownership housing priced appropriately for median-income households (earning 80 - 120 percent of median income).

Washington State provides funding for low-income housing needs through the Housing Trust Fund (HTF). These monies help local housing providers to develop much needed affordable housing throughout the state. The state has increased funding for the Housing Trust Fund in recent years and should continue its investment in this vital fund.

In addition, the City of Kirkland supports a percent of the Housing Trust Fund being dedicated for emergency bridge funding and earnest money deposits. Properties are placed on the market in affluent real estate markets and due to quick sales and funding restrictions they are unattainable as affordable housing. To create diverse housing markets it is important to provide the tools and resources necessary to save potential affordable housing sites. One of the tools needed is bridge funding to ensure non-profits and local governments can enter into purchase options quickly.

Inclusionary Zoning

Kirkland supports legislation that provides jurisdictions clear authority to require the inclusion of affordable housing in permitted housing developments.

Inclusionary zoning, also known as inclusionary housing, refers to city planning ordinances that require that a given share of new construction be affordable to people with low to moderate incomes. The term inclusionary zoning is derived from the fact that these ordinances seek to counter exclusionary zoning practices which aim to exclude affordable housing from a municipality through the zoning code. In practice, these policies involve placing deed restrictions on 10%-30% of new houses or apartments in order to make the costs of the housing affordable to lower income households. The mix of "affordable" and "market-rate" housing in the same neighborhood is seen as beneficial by many, especially in jurisdictions where housing shortages have become acute. Inclusionary zoning is becoming a common tool for local municipalities in the United States to help provide a wider range of housing options than the market provides on its own.

The City of Kirkland supports legislation that provides jurisdictions the authority to require inclusionary zoning. The City does not support legislation mandating inclusionary zoning be implemented but leaves the policy decision in the hands of local elected officials.

TELECOMMUNICATIONS

Kirkland supports maintaining local franchising and opposes any legislation that would create a statewide franchise. Kirkland recognizes the importance and need for local governments to manage their rights-of-ways and ability to deliver local programming. Kirkland supports telecommunications

legislation that is balanced and addresses the concerns and interests of local government, consumers and telecommunication/ broadband providers.

Kirkland supports competition in video, telephone and broadband services and the social obligation to support public, educational and government channels. Kirkland supports like services being treated alike with clear definitions and requirements. For example, cable and telephone companies are regulated differently even though they provide very similar services in today's marketplace.

Kirkland supports continued authority to lease public rights-of-ways to telecommunication providers and to impose video franchise fees.

GAMBLING

Kirkland supports legislation that would clarify that local governments have the ability to ban and zone gambling activities. Kirkland also supports legislation that would allow grandfathering of existing gambling establishments in annexation areas without having to allow additional establishments.

Local jurisdictions should have binding authority to determine the land use and zoning regulations that apply to gambling establishments. This is particularly important given the potential negative impacts of gambling establishments on the surrounding community. Cities that annex an area with existing gambling establishments should have the discretion to allow the establishment to continue operations under limitations without having to allow new establishments in the annexed area or in the existing city.

ENVIRONMENT

Climate Change

Kirkland supports legislation that builds on the land use and transportation planning that is already required of state and local governments to help accomplish the State's adopted greenhouse gas emissions reduction goals. This approach should be targeted at the more populous cities, counties and regions. Kirkland opposes mandates related to climate change and, if there are new mandates, they should be fully funded by the State.

Kirkland also supports legislation that implements the Governor's Climate Advisory Team recommendations and that provides monetary incentives for reducing vehicle miles traveled and increasing fuel efficiency through annual motor vehicle license fees.

Kirkland supports incentives for including transit-oriented development with transit investment.

Kirkland supports legislation that encourages alternative modes of transportation including capital and regulatory support to encourage biking and walking.

The State of Washington has adopted the following goals for reduction in greenhouse gas emissions:

- a. By 2020, reduce emissions to 1990 levels;
- b. By 2035, reduce emissions to 25 percent below 1990 levels; and
- c. By 2050, reduce emissions to 50 percent below 1990 levels, or 70 percent below the state's expected emissions that year.

At the local level, progress towards these goals depends on reducing land use patterns that increase vehicle usage and maximizing land use patterns that encourage compact communities, in-filling, denser development, linkages with transit options, and projects that reduce vehicle miles traveled (VMT). Transit-oriented development can provide additional affordable housing in communities in addition to reducing emissions related to VMT.

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LOCAL GOVERNMENT REFORM**Cost Recovery for Performance Audit- Related Expenses**

Kirkland supports legislation that would reimburse local governments for the direct expenses related to the completion of and response to state performance audits. This reimbursement would be made from the Performance Audits of Government Account established by Initiative 900.

Executive Sessions and Attorney-Client Privilege (from AWC Legislative Priorities)

Kirkland opposes legislation that would require public agencies to tape executive sessions. Kirkland also opposes legislation that would limit a public agency's attorney-client privilege.

Capital Funding Requests:**LOCAL JAILS**

Kirkland supports expanding the bonding authority for Public Facility Districts to allow for correctional facilities and an ability to impose a 0.1% voter-approved sales tax to assist with construction of correctional facilities.

King County has notified cities that they will no longer house city misdemeanor offenders after 2012. Kirkland and other King County cities are working together to develop replacement alternatives. With the exception of King County, county governments have the authority to impose a 0.1% voter-approved sales tax for correctional facilities. If King County is granted this authority, it should be connected with providing regional jail facilities; otherwise, cities should be granted this authority to provide this mandated service.

FEDERAL LEGISLATIVE AGENDA**U. S. Highway and Transit Bill Reauthorization**

Kirkland supports reprioritization of funds within the next U. S. Highway Bill to include more sustainable transportation options including ongoing funding for non-motorized transportation.

The U.S. Highway and Transit Bill is due for reauthorization in 2009. The last Bill (the *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users - SAFETEA-LU*) included pilot funding for non-motorized transportation in the amount of \$25 million per year. Kirkland would like to see an increased focus on sustainable transportation and a significant investment in non-motorized transportation in addition to the ongoing investment in existing infrastructure. Increased use of non-motorized transportation, such as walking and biking, leads to decreases in greenhouse gas emissions and traffic congestion as well as encourages healthy, active lifestyles.

With increased funding for non-motorized transportation funding, the City would like to pursue the completion of non-motorized facilities along 116th Avenue to join Kirkland with Bellevue.

Climate Change

Kirkland supports legislation providing local governments with new opportunities and funding to combat climate change, including the full funding of the Energy Efficiency and Conservation Block Grant Program, included in the Energy Independence and Security Act of 2007.

The State of Washington and the City of Kirkland have set greenhouse gas emissions reduction goals. Progress towards these goals depends on reduced dependence on fossil fuels through construction of more efficient buildings in addition to projects and zoning that reduce vehicle miles traveled (VMT).

The Energy Independence and Security Act of 2007 includes a provision creating a block grant program for cities and counties to institute programs to improve energy efficiency and reduce dependence on

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fossil fuels. Funding for the new Energy Efficiency and Conservation Block Grant (EECBG) program is authorized at \$2 billion annually, 68 percent of which would go directly to local governments to:

- Reduce fossil fuel emissions created as a result of activities within the jurisdictions of eligible entities;
- Reduce total energy use; and
- Improve energy efficiency in the transportation, building, and other appropriate sectors.

In June 2008, the House Appropriations Committee appropriated \$295 million for the program in FY 2009. In July, the Senate Appropriations Committee decided not to include any funding for the EECBG program in their FY 2009 appropriations bill for the U.S. Department of Energy.

Wireless Facility Zoning

Kirkland supports preservation of state and local land use and zoning authority over wireless siting.

In 2008, a wireless industry group petitioned the FCC requesting that local authority over the wireless siting process be diminished (FCC Docket No. 08-165). Kirkland's process for addressing land use applications ensures that the rights of citizens in our community to govern themselves and the appropriate development of the community are properly balanced with the interests of all applicants. The system works well and there is no evidence to suggest that there should be a special waiver of state and local law to the wireless or other similar industry. Any perceived difficulties experienced by such providers can be adequately addressed through existing remedies under federal and state law. The diminishment of local regulatory authority over wireless facilities is neither warranted nor authorized.

Capital Funding Requests:

NE 120th Street Roadway Extension
Department of Justice - Special Response Team/Emergency Services Equipment
FEMA Emergency Services Training
116th Avenue NE - Completion of Non-Motorized Facilities